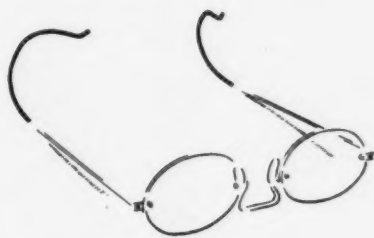


The NATIONAL UNDERWRITER



Do We Need Glasses . . . ?



A man who is nearsighted sees only the things directly in front of his nose. The farsighted man sees only things at a distance. With which type of eyes do we look at our own business?

Some of us seem to devote our whole existence to our own personal business problems—overlooking, or trusting others to take care of the distant, broader aspect of our business. Others see things in reversed positions of importance. Correct “glasses” would enable us to see everything in its proper proportion—and to realize that our business consists of both individual work *and* work for the betterment of our business as a whole. When we see things properly—we see the wisdom of joining our State Association of Insurance Agents.

In your State Association you will find brains, leadership, cooperative activity—the best insurance of your own future and the future of our business. In the interests of your clients’ security, your own security and your pocketbook—join, support and work with your State Association.



*Published by the United States Fidelity & Guaranty Company and its affiliate,
Fidelity & Guaranty Fire Corporation. Home Offices: Baltimore, Maryland.*

"There's Many A Slip-----"

That may cost your assureds dearly unless you have provided them with Public Liability or Residence Liability insurance.



America Fore Insurance

THE CONTINENTAL INSURANCE COMPANY
FIDELITY-PHENIX FIRE INSURANCE COMPANY
AMERICAN EAGLE FIRE INSURANCE COMPANY
FIRST AMERICAN FIRE INSURANCE COMPANY

Eighty Maiden Lane,



and Indemnity Group

NIAGARA FIRE INSURANCE COMPANY
MARYLAND INSURANCE COMPANY OF DELAWARE
THE FIDELITY AND CASUALTY COMPANY

BERNARD M. CULVER, President
FRANK A. CHRISTENSEN, Vice-President

New York, N.Y.

CHICAGO

SAN FRANCISCO

NEW YORK

ATLANTA

MONTREAL

THE NATIONAL UNDERWRITER. Published weekly (with one additional issue in April) by The National Underwriter Company. Office of publication, 175 W. Jackson Blvd., Chicago, Ill., U.S.A. Forty-fourth year. No. 32. Thursday, August 8, 1940. \$4.00 a year (Canada \$5.00), 20 cents per copy. Entered as second class matter April 25, 1931, at the post office at Chicago, Ill., under Act of March 3, 1879.

FIRE REINSURANCE TREATIES

INTERNATIONAL

INSURANCE COMPANY

OF NEW YORK

TREATY COMPANY 100% SAFE

Retrocessions only in Strong Legally Operated Companies

NO CATASTROPHE OR ANY EXCESS COVERS WRITTEN

Writes Fire and Allied Lines — No Facultative Business

SUMNER BALLARD, President

80 John Street

New York City

Famous Casualty Training Course Is Brought Up to Date

DONALD M. WOOD, JR., Ably Trained
In Big Office, Made Editor

With competition for Casualty insurance being felt more keenly in all lines, and with the ever-increasing necessity for agents, brokers and company representatives to know more about their business in order to exist, the National Underwriter Company has now issued a revised Casualty and Surety Sales Training Course.

The big earnings in insurance are in the selling end, but modern insurance selling requires more than a warm handshake and a friendly smile. An agent to hold his business, must be well equipped to give his customers the right kind of insurance at the proper cost, otherwise a more able competitor will do so and take business away from him.

The new Casualty and Surety Sales Training Course is designed to provide training in four ways: (1) It illustrates the need for each of the principal lines of casualty insurance and the basic principles,

underlying the need; (2) It explains in detail each of the principal forms of policy currently in use, and the reasons for the various provisions in each; (3) It explains some of the reasons behind the underwriting rules, including practice in using the manual, and (4) It demonstrates how thorough knowledge of the article to be sold may be applied to actual sales.

After careful searching for some time for a capable author, the publisher selected Donald M. Wood, Jr., who is connected with the Chicago office of Childs & Wood, in which his father is a partner. Mr. Wood received his pre-insurance training at Dartmouth College. His insurance training has been received with Childs & Wood, where he has had considerable experience with all lines of casualty insurance. Mr. Wood, Jr., is a member of the Casualty Actuarial Society.

The course consists of 27 lessons, each dealing with different lines of casualty insurance as follows:

1. Public Liability insurance.
2. Automobile Insurance.
3. Manufacturers' and contractors' liability insurance.
4. Automobile insurance sales.
5. Protective liability, contractual liability, and products liability insurance.
6. Owners', landlords' and tenants' liability insurance.
7. Residence, estate and farm liability insurance.
8. Elevator insurance.
9. Teams liability insurance.
10. Aviation insurance.
11. Accident and health insurance.
12. Workmen's compensation and employers' liability insurance.
13. Plate glass insurance.
14. Residence burglary, robbery, theft and larceny insurance.
15. Messenger, paymaster and interior robbery insurance.
16. Safe burglary insurance.
17. Mercantile open stock burglary insurance.
18. Miscellaneous burglary, robbery and all risks insurance.
19. Bank burglary and robbery insurance.
20. Bankers' blanket bonds.
21. Fidelity bonds.
22. Surety bonds.
23. Forgery bonds.
24. Steam boiler insurance—direct damage.
25. Machinery insurance—direct damage.
26. Steam boiler and machinery insurance—consequential damage.
27. Meeting competition.

Following each lesson is a set of examination questions which the student answers and sends in for grading and comment of the instructor. When all examination questions have been answered, if the student secures a satisfactory grade, a certificate will be granted the student upon completion of the course.

The tuition for the entire course including the full set of lessons and grading of the student's papers is \$15.00 (tuition may be paid in installments at the rate of \$4.00 with enrollment and balance in three monthly installments of \$4.00 each). For classes of five or more special wholesale prices will be quoted.

Use This Convenient Enrollment Form Now

ENROLLMENT FORM

THE NATIONAL UNDERWRITER CO.

(Training Course Division)

420 E. Fourth St., Cincinnati, Ohio

Enroll me in the Casualty and Surety Training Course for which I enclose

☐ \$15.00 covering entire tuition charge.

☐ \$4.00 to be followed by similar payments in three monthly amounts from date of enrollment.

I am to be furnished with complete series of lessons, and quizzes for each lesson. My written answers are to be carefully graded, corrected and returned to me with grade indicated.

NAME

COMPANY TITLE

STREET ADDRESS

CITY AND STATE

The NATIONAL UNDERWRITER

Forty-fourth Year—No. 32

CHICAGO, CINCINNATI, NEW YORK AND SAN FRANCISCO, THURSDAY, AUGUST 8, 1940

\$4.00 Year, 20 Cents a Copy

Rogers Is Elected Utah President at Annual Meeting

**Pacific Board Cooperation
Stressed — New Dues
Schedule Aids Membership**

NEW OFFICERS ELECTED

President—Jay A. Rogers, Salt Lake.
Vice-president—Hugh J. Ford, Centerville.

Secretary-treasurer—A. E. Burgener, Salt Lake.

Executive committee—F. M. Whitney and W. M. Anderson, Salt Lake; Fred Froerer, Ogden; Seymour Gray, Provo; state at large, E. H. Miller, Salt Lake.

SALT LAKE CITY—An outstanding attendance marked the annual meeting here of the Utah Fire & Casualty Insurers Association.

Commissioner Neslen, former president National Association of Insurance



JAY A. ROGERS

—Courtesy Salt Lake Tribune

Commissioners, welcomed the guests. He stressed service to policyholders, which he said could be provided more effectively by ascertaining needs and selling policies covering those needs. President Clyde Fowles, Ogden, responded, giving an account of his stewardship. He paid a special tribute to E. E. Eubank, national councillor, for his fine work at the national convention in Boston. The new \$5 membership fee for agents in the smaller towns has aided in increasing membership over 1939, Mr. Fowles reported. He referred to the National association's activities on the Home Owners Loan Corpora-

(CONTINUED ON PAGE 23)

Falls in Candid Review of Auto Finance Issue

SEATTLE.—When rates of commission on insurance get too high, the result almost invariably is that agents are tempted to share their commission with someone not in the insurance business and not entitled to share in the commission, L. E. Falls, vice-president American of Newark, and president of the National Automobile Underwriters Association told the Insurance Agents' League of Washington at its convention here. This is particularly true in the handling of insurance upon financed automobiles, he said. The higher the rate of commission allowed by the company, the smaller the proportion of the commission retained, as commission, by a bona fide agent, Mr. Falls said.

Mr. Falls traced the history of the automobile finance business and the growth of the collateral insurance problem. He said that as long as 20 years ago, a few finance companies observed their tactical advantage to control the placing of insurance. They found enough agents willing to split commissions in return for a share in an account of such premium volume, to convince the finance companies that commissions could be a principal source of revenue for them. The financing companies took over the performance of much of the clerical work which insurance agents customarily perform. They guaranteed the payment of premiums and for the most part, they were good and prompt pay. Because of these considerations, they were able to obtain higher and higher rates of commission. They pleaded that the insurer had incurred no credit risk, did not have to wait for its premium balances, was engaged in a wholesale transaction which should not be loaded for the multitude of details attending the issue of a like number of policies in the ordinary run of so-called agency business. The interested insurance agent acceded to the insistence of the finance companies that the agent retain a lower and lower portion of the total commission allowed by the insurer.

Cites 45% Commission

Mr. Falls recalled that by 1938, commissions on some accounts ran as high as 45 percent. The amount retained by the local agents ranged from 2½ percent to 7½ percent. The volume of premiums on automobile finance business reached the proportion of 60 to 65 percent of the total of all automobile insurance against the risks of fire, theft, collision and comprehensive. There was a realization in some quarters that the experience was being unfairly loaded by an unwarranted charge for expenses in the commission column where commission rates in excess of 30 percent were allowed, even though most of the commission inured to the benefit of the finance company.

In 1939, he pointed out, the N.A.U.A. took action to curb this practice. Some insurers by that time, voluntarily, for their own preservation, arranged all of the automobile finance accounts written by them at commission rates not exceeding 30 percent, and the N.A.U.A. adopted that percentage as the maximum which any member might pay for such accounts. Effectiveness of this regulation was deferred, however.

Without mentioning General Exchange by name, Mr. Falls alluded to the experience of that company. General Exchange had been issuing insurance at rates 25 percent below those provided in the N.A.U.A. manual.

In 1939 the business first felt the sting of the operation of an insurer not a member of the N.A.U.A. which widely advertised its willingness to write auto finance accounts 25 percent off manual, but at total rates of commission at about 5 percent. This plan allowed no commission to be paid by the insurance agent to a finance company, but it equipped the finance company with a competitive weapon in its drive with dealers for the financing of auto purchases. Agents representing N.A.U.A. companies either succumbed to the solicitation of this outside company or sought its facilities, alleging that they could not hold their business without use of the premium advantage of 25 percent.

Study Started in 1937

Members of the N.A.U.A. began, in 1937, a study looking to the formulation of a plan that would give member companies opportunities equal to their non-associated competitors—for writing finance business. Plan after plan was developed, studied, tested against experience—and discarded. Some of the plans were held unusable because they involved apparent discrimination of insurance rates between the purchasers of cars on time and those for cash. Some of these plans, he said, met the necessity of various anti-discrimination laws in several states, but did not meet the rate competition which the N.A.U.A. companies faced. Some plans met the competitive necessity, could be used in certain states and not in others; but at the reduced rate deemed necessary to hold the business for association companies and their agents, it was necessary to reduce the total rate of commission allowable by the insurer. Many agents handling this line of business and rarely retaining more than 5 percent of the manual premium as their own share admitted that 10 percent of a premium volume which had been reduced 25 percent did not constitute a reduction in agency commission. It did constitute the elimination of insurance commissions for the expenses and profits of automobile finance companies.

Recalls Storm of Protest

"When in February, 1940, the N.A.U.A. committee on finance business proposed that it approve a plan, the essence of which was insurance against fire, theft, collision and comprehensive endorsement coverages on all business of finance accounts, at 25 percent less than the current manual rates, and at 10 percent total commission to local agents, the members of the committee who signed the proposal, were deluged with a veritable snowstorm of letters protesting the reduction in commission," Mr. Falls declared. "Many of these protests came, obviously, from agents who had never read the proposal. Some of them came from agents who had never written a finance account. But the committee was

(CONTINUED ON PAGE 23)

Marine Offices Are Concerned Over the Far East Shipments

**Some of the Problems
Confronting Imports to
the United States**

NEW YORK—Germany's submarine blockade of the British Isles has intensified and become more successful but American marine underwriters are now mainly concerned with shipments to and from the Far East, particularly imports of rubber, antimony, tin, tungsten, and other products of strategic importance which might be cut off by German or Japanese activity in the Dutch East Indies.

Manufacturers are rapidly building up their stores of these materials and the United States government has placed huge orders as part of its defense program. One ship now on the way from the Far East has a cargo valued at more than \$7,000,000.

Not only are these shipments large but are almost entirely insured in the United States, since the interest is in this country. On shipments to England, on the other hand, the insurance is nearly always placed with the British government war risk pool, since these rates are substantially lower than either the London market or the American market.

Exports Less Important

Exports to the Far East are not so important from an insurance standpoint. Their value is much smaller than the imports and usually a much smaller percentage of the insurance is written in this country.

This week the American market withdrew its rates on shipments to Europe by Spanish, Estonian, Latvian and Lithuanian vessels, though rates are still quoted on demand, according to individual circumstances. Shipments to and from Portugal and Spanish Atlantic ports are now 5 percent for ships of countries for whose vessels published rates were previously quoted. The former rate was 4 percent. The rate for United States flag vessels, however, going to these ports, is still 2 percent.

Effect of Blockade Outcome

Rates to and from the Irish Free State, formerly 10 percent, are now 15 percent. Because of the activity of a German surface raider in the South Atlantic there was a substantial increase in the rate for belligerent flag vessels in the western hemisphere. Formerly these rates ranged up to one-half of 1 percent whereas they now run as high as 1½ percent.

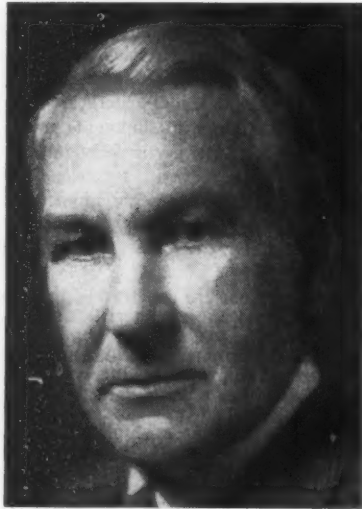
Despite the predominance of the British government pool in the insuring of shipments to England the American

(CONTINUED ON PAGE 15)

Special Tribute to W. H. Bennett on 20 Years' Service

National Association of Insurance Agents Will Honor Secretary-Counsel

NEW YORK—In response to spontaneous suggestions received from leading insurance men all over the country during the past few months for a fitting method of signalizing the event, the executive officers of the National Association of Insurance Agents have decided to designate the traditional and gala get-together dinner at the forthcoming 45th annual convention in Buffalo, Sept. 16-19, as the testimonial dinner to celebrate



WALTER H. BENNETT

the 20 years' of service to the association of W. H. Bennett, its general counsel and secretary. The announcement was made this week jointly by President S. O. Smith of Gainesville, Ga.; Vice-president P. H. Midyette of Tallahassee, Fla., and W. H. Menn of Los Angeles, chairman of executive committee. The dinner gathering, which usually draws the largest single attendance of any event on the convention calendar, will be held the evening of Sept. 17.

Anniversary May 31

Although Mr. Bennett rounded out 20 full years May 31, it was felt that the convention in Buffalo would provide the fullest and most appropriate background for a major celebration of the event. The ceremonies and testimonials which will thus feature the dinner will greatly augment the program itself and enhance its interest, for, as in the past, the festivities that night will also include a full entertainment presentation, with music throughout and dancing to follow.

Mr. Bennett first became associated with the National association June 1, 1920. Through the intervening years the membership grew from 6,000 to the present all-time record enrollment of more than 15,500. The association finances developed to their present sound and stable level, and the National association itself achieved the preeminent prestige and constructive influence that it enjoys today.

One of the best known insurance men in the United States and one of the most respected figures in the history of the business, Mr. Bennett has probably

Minnesota Agents All Set for Meet

Executives to Confer Prior to Two Day Gathering

DULUTH, MINN.—A program designed to eliminate the boredom of routine reports and to stimulate free and open discussion of agency problems has been completed for the annual meeting of the Minnesota Association of Insurance Agents here Aug. 22-23. The program was completed with the acceptance by John G. McHale, state agent New York Underwriters, to talk on "Securing Public Business," a subject of growing interest in Minnesota.

The complete program, as announced by E. C. Huhnke, general chairman, provides for an executive committee meeting for the afternoon of Aug. 21 followed by a dinner for officers and past presidents.

A closed meeting for district chairmen, officers of regional and local boards and any agents who wish to attend will start the morning session on Aug. 22 with A. A. Hirman, Rochester, presiding. C. O. Brown, Rochester, will report for the agents' qualification law committee with discussion following. A complimentary luncheon will be given by Duluth Underwriters Association.

Smith and White to Talk

President Harry Levant, Eveleth, will call the afternoon session to order. Frank Compton, Prindle-Jones Co., Duluth, will be commentator. Following reports of administration and officers, Sidney O. Smith, Gainesville, Ga., president National association, will talk on "Stewardship," and A. B. White, Keene, N. H., "The New Hampshire financial responsibility law cancels the need of compulsory automobile insurance," followed by an open forum.

"Past presidents' pertinent pointers," ten-minute talks, will be presented by Clyde B. Smith, Lansing, Mich.; W. B. Calhoun, Milwaukee, and Allan I. Wolff, Chicago, all National association past presidents.

A dinner dance at which distinguished

addressed more insurance men than any other person. His weekly editorials ("The state of the order") in the "American Agency Bulletin" are held to be among the most widely read columns in the country.

Mr. Bennett began his business career as an attorney in Quincy, Ill., and later served for a period as corporation counsel for the city. Subsequently he was appointed state fire marshal of Illinois and served two terms as president of the Fire Marshals Association of North America.

Lucas to Probe Source of Refunds to Union Electric

ST. LOUIS.—Superintendent Lucas of Missouri has indicated that he will make an investigation of the relations of the Lawton-Byrne-Bruner agency of St. Louis with Union Electric Co. of Missouri following the conviction of Frank J. Boehm of giving perjured testimony before SEC examiners. Boehm was formerly executive vice-president of Union Electric. R. M. Miller, a vice-president of Lawton-Byrne-Bruner, controlled the electric company's insurance and he was a witness for the government in the trial of Boehm. Miller testified to the payment of \$90,000 in cash refunds to Union Electric in connection with insurance premiums.

Mr. Lucas stated that the point he desires to clear up is whether these were legitimate rebates on account of experience rating credits, rate reductions, etc., or whether any of them constituted rebates of agent's commission. Of course, in the insurance business the term rebate has two meanings, one referring to the illegitimate practice of an agent splitting commissions and the other referring to refunds to the assured in the ordinary course of business, due to adjustments in rates, on account of earned credits, and to other shifts.

Mr. Lucas was a personal observer at one of the sessions of the Boehm trial. He has arranged to obtain a transcript of Mr. Miller's testimony. Mr. Lucas said that auditors of the insurance department will probably be assigned to examine records as a start toward tracing the origin of the refunds to Union Electric. Lawton-Byrne-Bruner, according to Mr. Lucas, have given assurance that all their books and records will be open to the department and that they will cooperate in every way possible.

guests will be introduced, will be held in the evening.

On Aug. 23 a breakfast meeting for rural agents is scheduled with Francis McGovern, Rochester, presiding.

At the regular session "Working Together" will be discussed by C. H. Smith, co-western manager Hartford Fire and president Western Underwriters Association.

A discussion on the HOLC and the Stock Company Association setup will be led by R. D. Voss, district manager SCA at Omaha. An insurance sales presentation will be followed by Mr. McHale's talk on "Securing Public Business."

Reports of resolutions and nominating committees will be presented by Howard Williams, Mankato, and Ward Senn, Minneapolis.

At a complimentary luncheon by the Minneapolis Fire & Marine, C. F. Liscomb, past president National association, will preside and Governor Stassen of Minnesota will speak. A golf tournament will follow.

Improvements in Contracts Just a Start: Hannah

Broader Protection to Offset Lower Cost Is Urged

PORTLAND, ORE.—Recent improvements in coverages are but the start of a trend toward even greater improvements and activity, C. C. Hannah, vice-president Fireman's Fund, declared before the Oregon Insurance Agents Association here. The changes did not come suddenly but are the fruit of progressive thought and action over a period of years.

"It seems reasonably certain that higher loss ratios can be looked for by reason of the increased exposure per dollar of premium written. This, in its turn, is bound to result in a closer application of the principles of underwriting and selection. In sequence will follow increased efforts to reduce hazards, all constituting what would appear to be a constantly narrowing circle," Mr. Hannah pointed out.

Sell Broader Coverage

"Lower rates on basic covers will have to be offset by the sale of more inclusive contracts. Producers will have to recognize as never before that the function of an agent is not primarily to save money for his client, but rather to provide at a reasonable price all the insurance protection desirable and necessary. Instead of return premium endorsements, extended covers can and should be added to policies with little or no change in the original cost.

"Greater economies in the operation and maintenance of offices and service, simplification of methods and elimination of detail should be brought about wherever feasible.

"Research, involving contracts and their application and, particularly, the needs of the insurance-buying public, must, to a greater degree, engage the attention of the business as a whole.

"More and more the cost of conservation services rendered by company organizations should be taken into account as the basis of rates. Not losses alone, but, in addition, loss adjustment expenses, taxes, and the cost of loss prevention activities, should be combined to produce the ratio which largely determines basic rates. Expenses of organizations like the National Board and the many rating bureaus whose functions are largely directed toward life and property preservation, deserve proportionate consideration with claims paid, as constituting an essential part of the value of insurance service to the general public."

In pointing to future probabilities Mr. Hannah said: "Capital stock insurance will go forward to greater achievements in the field of public service. Its coverages must continue to be expanded, yet simplified; its products must be more effectively sold, this to be brought about by, and only through organized and effective research—which should reveal additional requirements and a more exact application of insurance contracts to changing needs of a changing world.

"Specialty companies will be organized when, as and if their sponsors see opportunities for saving on insurance costs and when, in their opinion, agency service is unnecessary. The challenge is thus thrown out to the American agency system to demonstrate beyond question the value of that service. Additional and increased coverages will, and can, be sold and will offset premium reductions on basic coverages.

THIS WEEK IN INSURANCE

L. E. Falls, president of the National Automobile Underwriters Association, in addressing the convention of the Insurance Agents League of Washington at Seattle, makes a candid and highly important statement regarding the problem of automobile finance insurance. **Page 1**

Marine insurance offices are much concerned regarding shipments to and from the far east. **Page 1**

Utah agents hold annual gathering at Salt Lake. Jay A. Rogers elected president. **Page 1**

Sidney O. Smith, president National Association of Insurance Agents, speaks on "Profit with Honor" at state association meetings on the Pacific Coast. **Page 19**

Special tribute will be paid to Secretary W. H. Bennett of the National Association of Insurance Agents at the Buffalo convention in tribute to his 20 years of service to the organization. **Page 4**

A meeting to discuss prohibition of automobile equity rating plans in Illinois is set for Aug. 15. **Page 17**

Three year term on public liability risks subject to experience rating on owners, landlords and tenants and elevator form, made permissible by National Casualty Bureau effective Aug. 1. **Page 17**

Recent improvements in policy contracts are just a start, C. C. Hannah, vice-president Fireman's Fund, tells Oregon agents. **Page 4**

Pennsylvania decision hits at extraordinary powers assumed by insurance commissioners. **Page 8**

General of Seattle prohibited from writing participating forms in Oklahoma. Can't write both annual and annual renewable contracts. **Page 2**

Minnesota agents complete plans for annual meeting in Duluth this month. **Page 4**

London "Review" comments on the insurance situation in England as a result of the war. **Page 18**

Washington Insurance Agents League holds annual meeting in Seattle. **Page 5**

Washington Agents' Annual Muster at Seattle This Week

C. C. Hannah of Fireman's Fund and State President Anthony Speakers

SEATTLE — Vice-president C. C. Hannah of the Fireman's Fund this week spoke before the annual meeting of the Washington Insurance Agents League, basing his comment largely on the necessity for preparation to defend the United States against aggression. He showed how the army and navy must have weapons, equipment, transportation, supplies and food. Business, he said, must hold itself in readiness to further in every way all necessities of defense. Insurance, as in the past, he declared, will do its part in upholding the hands of those entrusted with the task of seeing that this nation is prepared and that its resources of men and means are conserved.

Parallel Is Drawn

Mr. Hannah said that his talk is not intended to be a dissertation on national emergency or defense, but rather to draw a parallel and to set forth the needs of preparedness in and on the part of capital stock insurance. Capital stock insurance, he said, is constantly subject not only to threat, but actual invasion and it must be prepared to defend its rights and property and to resist encroachment and confiscation. He said it has enemies within and without.

There are those who desire to see all business conducted on the basis of non-profit, who foster and support organizations subscribing to that philosophy. He did not hesitate to say that mutuals and similar types of insurance operations fall in this class. Stock insurance, he said, must be ready, able and prompt to oppose that doctrine wherever met. There are others too who seek to impose upon insurance, excessive taxation, too restrictive legislation and regulation, that, in the name of anti-discrimination, does, in fact, discriminate.

Enemies Within Its Ranks

Mr. Hannah finds within the ranks of insurance itself those who place present expediency ahead of principle, who do not see beyond today into the tomorrows that must come, who are not true friends and who do the enterprise great harm by their shortsightedness. There are others whose competitive methods are unsound, unethical and unfair, involving commissions, rates and forms. These all tend to undermine the foundation of the insurance structure.

Mr. Hannah stated that insurance may be roughly divided into two sections, producers and companies, but in the ranks of both there are those who are on the firing line and others equally important who are engaged in underwriting, developing forms of insurance, rates, handling of claims and all necessary requirements of the insurance army. Skilled and intelligent direction by leaders of vision is needed.

Among the first requirements is a sincere belief in, and a high regard for, the principles and ideals of which capital stock insurance is the exponent. There can be no compromise with the forces that seek to destroy and no deviation from principle, he added. Those who are engaged in the business, whether agents, brokers, company officers or employees must at all times defend this

(CONTINUED ON PAGE 23)

Views of \$1,000,000 Fire Centered in Camden Paint Plant



These are views of the fire in Camden, N. J., that caused loss estimated at some \$1,000,000. Upper left is shown the plant of the R. M. Hollingshead Paint Co., in flames. Upper right are shown firemen clad in asbestos suits searching the ruins of the Hollingshead plant for the bodies of 11 persons that were missing. Below are shown some of the 54 homes that were damaged in exposure fires. This was the most severe fire loss ever suffered in Camden and is one of the major fire losses of this year in this country. Pictures are by Acme.

An informative report on the fire was put out promptly by Knowlan, Thorpe & Co., insurance inspectors of Philadelphia. J. R. Knowlan of that firm is most loyal grand gander of the Blue Goose.

The report stated that the fire apparently originated in manufacturing building No. 4 and quickly spread to adjacent structures including nearby dwellings. The wind was southwest.

The Hollingshead company manufactures various automobile specialties including greases, soaps, leather dressings, polishes, etc., that are sold under the trade name of "Whiz Products." Large quantities of benzine and naphtha were used in some of the products and the fire hazard was, accordingly, a serious one.

Knowlan & Company recall that in their last report they stated that although the plant is mill construction and sprinklered, it is considerably congested. There was no cutoff between the center buildings Nos. 1 and 2. They have oil saturated floors and contained the principal manufacturing or compounding of oils and greases, filling of cans and bottles, boiler and engine rooms and there was a possibility of fire getting beyond control of the sprinklers.

The entire main plant or buildings Nos. 1, 2, 3, 4 and 6 is a total ruin. The two warehouses on the northeast side of the railroad were practically destroyed. There are a number of broken windows in the well detached fire resistant office building.

Knowlan & Co. stated that they were informed that there was a previous fire in a 3,000 gallon naphtha tank Jan. 18 of this year and there had been a fire there about a month prior to that. Both

(CONTINUED ON PAGE 13)

Fire Premium Record Is Traced

The New York department has prepared an exhibit of the fire insurance writings, nationwide, of companies operating in New York. It finds that the earned fire premiums of direct writing stock companies decreased 2.19 percent in 1939 from the previous year while the earned fire insurance premiums of mutual companies, excluding factory mutuals, increased 3.94 percent.

The earned premiums of stock companies, other than reinsurers, in 1939 were \$415,220,000 while the writings of mutual companies were \$52,692,000.

Herewith are given the aggregate figures by years from 1935 to 1939 inclusive, together with an interesting breakdown of the expense ratios:

STOCK COMPANY AGGREGATES												
Country-Wide Experience												
Ratios—Incurred Expense Analyses—												
Calendar Year	Premiums earned	Loss	Expense	Net gain	Claim adjust.	Com.	Field superv.	General admin.	Inspection & bureaus	Taxes & fees	Federal inc. tax	
1935	\$431,887,000	33.3	52.7	13.9	2.4	26.4	4.9	11.1	3.0	4.9		
1936	425,298,000	38.4	51.8	9.8	2.4	26.5	4.8	10.3	3.0	4.9		
1937	425,673,000	36.1	52.2	11.7	2.3	27.1	4.8	10.3	2.9	4.7		
1938	424,517,000	37.9	53.3	8.8	2.5	26.7	5.0	11.0	3.0	4.1	1.0	
1939	415,220,000	41.5	53.3	5.2	2.7	26.9	5.1	10.9	3.0	3.7	1.0	
MUTUAL COMPANY AGGREGATES												
1935	\$45,069,000	31.0	38.1	30.9	1.3	13.9	4.9	18.2	2.6	2.9		
1936	46,919,000	34.5	38.2	27.3	1.5	13.6	5.3	12.9	2.6	2.9		
1937	50,162,000	34.5	38.4	27.1	1.6	14.3	5.0	12.4	2.4	2.9		
1938	50,696,000	32.3	40.0	27.7	1.6	14.8	5.4	12.6	2.6	2.9		
1939	52,692,000	33.3	40.8	20.9	1.6	16.3	4.1	13.2	2.7	2.9	.04	

List Speakers at Insurance Advertising Conference Meet

BOSTON—Arthur D. Grose, editor of the I.A.C. "Bulletin" and publicity manager of the Employers Liability, has announced the general setup for the annual meeting of the Insurance Advertising Conference in Atlantic City Sept. 8-10.

A field men's forum will be conducted by Jarvis Wolverton Mason, advertising manager National Fire group. Four subjects of vital interest to every I.A.C. member will be taken up, with these

chairmen: "Space Advertising," John Ashmead, advertising manager Phoenix of Hartford; "Direct Advertising," Earl E. Vogt, advertising manager Millers National; "Merchandising," R. C. Budlong, advertising manager Globe Indemnity; "Public Relations," Ralph W. Bugli, advertising manager London Assurance.

In addition to those from the I.A.C. membership, plus the "mystery men" Clark Smitheman and his program committee are still working on, speakers will include Fred Bremier, Curtis Publishing Co.; William Haskell, "Herald-Tribune"; Win Lambdin, Lambdin As-

sociates; L. P. McCord, Jacksonville, Fla., chairman educational committee National Association of Insurance Agents; Harford Powel, Jr., advertising author and executive, and Joseph Riebel of Levering-Riebel Company.

Expect 150 at Teachers Meeting

More than 150 members of the American Association of University Teachers of Insurance will attend its meeting at the University of Chicago in December in connection with the celebration of the university's 50th anniversary.

Ohio Farmers Gives Resume of New HOLC Procedure

Ohio Farmers has made a study of the new HOLC insurance procedure and has prepared this clear cut resume:

"There are three differing conditions with respect to insurance coverage on properties carrying HOLC loans:

"1. Where the borrower depends entirely on the HOLC for insurance. When the borrower fails to furnish adequate insurance on his own account or when he specifically requests insurance coverage from the Home Owners' Loan Corporation, the HOLC regional office orders insurance from the district manager of the Stock Company Association. (The association has its 10 regional offices in the same cities where the regional offices of the HOLC are located.) The association then sends a copy of the order together with a certificate of insurance to the local agent of record for completion. The agent of record is the agent specified by the borrower as his choice or, where not specified, it is the agent on the expiring insurance. The company used is the company designated by the agent of record or, where no such designation is made, the company on the expiring insurance.

Accounting Details

"The accounting details under these transactions are handled by the association and agents receiving certificates for completion should follow the letter of instructions which comes with the certificate.

"The premium for this insurance is paid by the HOLC and is refunded to them by the borrower through a tax and insurance agreement under which the borrower makes monthly payments to an insurance account in a pro rata amount sufficient to cover taxes and current insurance.

"2. Where the borrower uses HOLC insurance plus additional insurance. The HOLC requires insurance only up to the extent of the loan and its orders to the association are not in excess of this amount. Therefore, if the borrower wishes to protect his own equity he may purchase from a local agent additional insurance.

"This is a transaction between the

borrower and the agent just like any insurance transaction and affords the agent an opportunity to be of service to the borrower and to obtain additional business.

Furnishes Own Protection

"3. Where the borrower furnishes his own insurance protection. If the borrower prefers to buy his own insurance from a local agent the HOLC is willing to accept such insurance and has so advised its regional offices. The only requirements in this connection are that the fire insurance be not less than the loan balance, the wind insurance not less than 50 percent of the loan balance, and that the policy be accompanied by a receipted bill to show that the premium is paid. The HOLC mortgage clause form 12 should be attached.

"Such prepaid policy can be introduced to replace insurance in the Stock Company Association at any time during the term of the association policy as well as at date of expiration. When such a policy is introduced, insurance payments under the tax and insurance agreement continue on the part of the borrower to the HOLC until an accrual in the borrower's insurance account is obtained sufficient to purchase a renewal of the minimum fire and wind insurance requirements of the HOLC. This accrual is then held until expiration when it is used by the HOLC to purchase insurance or credited to the borrower's loan balance if he again furnishes his own insurance.

"It will seem that when a local agent sells a HOLC borrower a prepaid locally written policy the borrower benefits by reason of the local attention to his insurance problem, by the opportunity of carrying adequate protection, and by the opportunity of carrying extended coverage. The benefits to the local agent under this arrangement are obvious.

"For the cases, however, where the HOLC borrower does not turn to a local agent the present arrangement with the Stock Company Association, of which the Ohio Farmers is a part, provides a successful way of insuring HOLC loans for the benefit of the HOLC and the borrower."

Mutual Alliance Will Sponsor Institute of Fire Insurance Course

The American Mutual Alliance is starting this year what it terms the "Institute of Fire Insurance," an educational project which will be held in the William Penn Hotel, Pittsburgh, starting Sept. 30. It will offer a three-day course in fire insurance fundamentals and their relationship to practical production problems. There will be 10 lectures by insurance educators and leaders followed by question periods supervised by a panel of home office and agency executives of the major mutual companies. Each question period will be followed by a written examination.

At first it was decided to hold the institute in Cincinnati but later was shifted to Pittsburgh. J. M. Eaton, assistant general manager of the American Mutual Alliance, is director of the Institute. The change was dictated by the possibility that Cincinnati hotel facilities in view of the probable conflict with the world series baseball game would be limited.

Ten General Topics

Lectures will be confined to 10 general topics: The agent's place in the business of insurance; the fire insurance contract; the form attached to the policy; measurement of fire hazard; inland marine coverages; the automobile property coverages; collateral lines in

fire insurance; increasing premium income; agency organization and management; and insurance as collateral security.

The question panels of home office and agency executives will be made up of: John A. Arnold, vice-president Federal Mutual Fire; C. H. Anderson, National Retailers Mutual; W. H. Bradley, manager automobile department Grain Dealers National Mutual Fire; H. U. Brown, vice-president Hardware Dealers Mutual Fire; C. M. Boteler, Washington, D. C., president of the National Association of Mutual Insurance Agents; R. J. Chalmers, assistant secretary Pennsylvania Lumbermens Mutual Fire; S. F. Coffin, vice-president Lumbermens Mutual; Gordon Davis, director of the loss research division of the Federation of Mutual Fire Insurance Companies; C. L. Daniels, vice-president Hardware Dealers Mutual Fire; L. H. Jones, sales director Lumbermens Mutual; C. C. Jennings, Baltimore, former president National Association of Mutual Insurance Agents; J. E. Kidd, secretary Minnesota Implement Mutual Fire; A. B. Kelly, American Mutual Alliance; F. W. Lahr, advertising manager Indiana Lumbermens Mutual; M. L. Landis, counsel Central Manufacturers Mutual; H. C. Lee, assistant manager Mill Mutual Fire Prevention Bureau; R. D. MacDaniel, director of field service Grain Dealers National Mutual Fire; F. J. Marryott, assistant general counsel United Mutual Fire; G. M. Madden, inland marine manager Western Millers Mutual Fire; Donald Meurer, underwriting manager Mill Owners Mu-

tual Fire; C. E. Nail, vice-president Lumbermens Mutual; T. L. Osborn, Jr., assistant secretary National Retailers Mutual; E. J. Raabe, inland transit manager Central Manufacturers Mutual; L. K. Sharp, secretary Mill Owners Mutual Fire; E. V. Thompson, St. Louis, former president National Association of Mutual Insurance Agents; and Ben C. Vine, assistant secretary Millers Mutual Fire of Alton, Ill.

Commissioners Reassure Foreign Companies' Insured

OLYMPIA, WASH.—Holders in Washington of insurance policies in companies of foreign nations embroiled in the present war have been safeguarded under the state's insurance laws and will not suffer losses, regardless of fate of the warring nations, Commissioner Sullivan says. Foreign insurers doing business in Washington must have trust funds on deposit in the state for protection of its policyholders, and the deposits are not subject to withdrawal without the commissioner's approval, Mr. Sullivan explained.

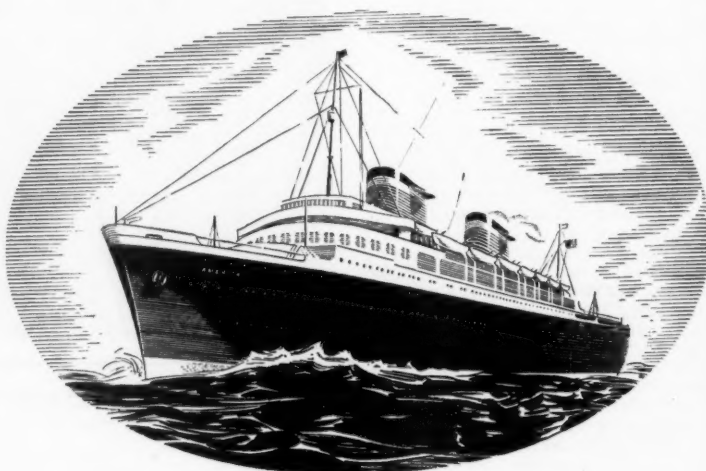
"As long as foreign companies are licensed to do business in Washington, they should be considered in the same light as American companies," Mr. Sullivan added. "They have ample securi-

ties on deposit to meet all obligations and are entitled to the confidence of the insuring public."

DIRECTOR SMRHA'S STATEMENT

LINCOLN, NEB.—The receipt of so many inquiries from holders of policies in insurers of European countries impelled Insurance Director Smrha to make this statement: "The situation gives rise to concern not only as to European countries but our American companies as well. The stability of an insurance company is measured by the worth of its assets. What the value of investment assets may be as a result of the present conflict must be a matter of concern not only to insurance companies, but to all businesses and all individuals in possession of investment securities.

"The question is: Is an investment worth so many grains of gold or is an investment worth so many cameras or knives or so many hours of labor of a robot? This question is of as much concern to American companies as to European countries, for if the standard of values is to be changed, all investments would be affected, American as well as European. No concern need be felt, therefore as to the stability of European insurance companies which does not apply with equal force to American insurance organizations."



Ships that have made History

As the most important unit thus far in the Government's program for the construction of 500 American merchant ships in the next ten years, it is appropriate that the first liner should bear the name "America." She was launched at Newport News, Virginia, on August 31, 1939, where she was christened by Mrs. Eleanor Roosevelt. The "America" made her maiden voyage from New York to the West Indies in the service of the United States Lines in August, 1940. She has a load-draft displacement of about 34,000 tons, and accommodates 1,219 passengers and a crew of 639. Her length is 793 feet, her beam 93 feet, and her depth to promenade deck 75 feet.

The broad field of marine insurance, embracing as it does such a variety of forms of protection, is one which is not too familiar to the majority of insurance agents and brokers. It is only natural for them to establish relations with an organization specializing in all forms of ocean and inland marine insurance. Such an organization is Appleton & Cox, Inc.—the marine department for twelve outstanding stock fire insurance companies—with branch offices and general agencies in principal cities for your convenience. Consult us whenever you have any marine insurance problem.

Appleton & Cox

INCORPORATED



OCEAN AND INLAND MARINE UNDERWRITERS

111 JOHN STREET, NEW YORK CITY

Oklahoma Restricts General's Policies

Participating Forms Ruled Out—Discrimination in Contracts Is Charged

OKLAHOMA CITY—The Oklahoma Insurance Board has approved an order prohibiting the General of America from writing participating policies in the state. A previous board order issued in 1937 approving such policy form was set aside.

The General immediately filed notice of appeal from the order to the state supreme court. The matter had been brought before the board through a petition for hearing filed by E. V. Crow, attorney for the Oklahoma Association of Insurers.

At the same meeting the Oklahoma board issued a second order providing that the General be permitted to issue in Oklahoma, either its annual policy at manual rates while issuing its term policy at manual rates or, at its election, it shall be permitted to issue its term policy at manual rates while issuing its annual renewable policy, but that it shall not issue all three forms of policy in the state at the same time. To such findings and orders the board will permit both the General and the Oklahoma Association of Insurers to file exceptions.

Offending Clause Cited

The offending clause in the policy written by the General was as follows: "Term insurance, all classes of risk (including buildings and their contents) which may be written in accordance with the rules under the above schedules, for a term longer than one year at the reduced multiples of the annual rate, may also be written on a 'five-year annual renewal plan' at the full annual rate for the first year and 80 percent of the annual rate for each of the four succeeding years, payable annually."

The board held that the General may not lawfully issue in Oklahoma a strictly annual policy at manual rates while at the same time it issues its annual renewable policy, because to do so would constitute a discrimination between policyholders for like insurance for risks of a like kind and hazard under similar circumstances and conditions.

The board held that the General may issue at the same time its five year term manual policy of insurance and its annual renewable policy and that to do so does not violate the laws of Oklahoma. It may also issue at the same time its annual policy at manual rates and its five year term policy at manual rates. "The General must discontinue the issuance of its annual renewable policy while at the same time it issues an annual policy at manual rates," the board held.

Dividend Not Final

M. E. Hogan, who is liquidating the defunct Manufacturing Lumbermen's Underwriters of Kansas City for the Missouri department, states that the dividend that will be paid within the next 30 to 60 days is not the final dividend. Mr. Hogan is optimistic, stating that he is confident another substantial dividend will be paid. The one to be paid soon is on fourth class claims.

Submit Wisconsin Plan

MILWAUKEE—The Wisconsin Association of Insurance Agents has submitted to the National association its plan of practices of minimum standards for local boards in Wisconsin on agents' qualifications and the institution of coextensive boards to provide state and national membership facilities for stock company agents. The information was submitted by Secretary Rob-

ert Ebert to David North, chairman of the national committee, which is formulating a plan to be submitted at the Buffalo convention next month.

HOLC Correction

The Home Owners Loan Corporation calls attention to an error in the last issue in the instructions sent out on tax and insurance account. The correct instruction on one feature is "When insurance is purchased by the corporation, payments will be made from funds in your tax and insurance account or otherwise, but no payment will be made

from your tax and insurance account or otherwise to any agent or company for insurance purchased directly by you."

Redman Directs Department

Clarence H. Redman, manager of the S. T. Morrison agency, Iowa City, Ia., has resigned to become head of the insurance department of the Richard Gill Company, San Antonio, Tex.

Insurance on "America"

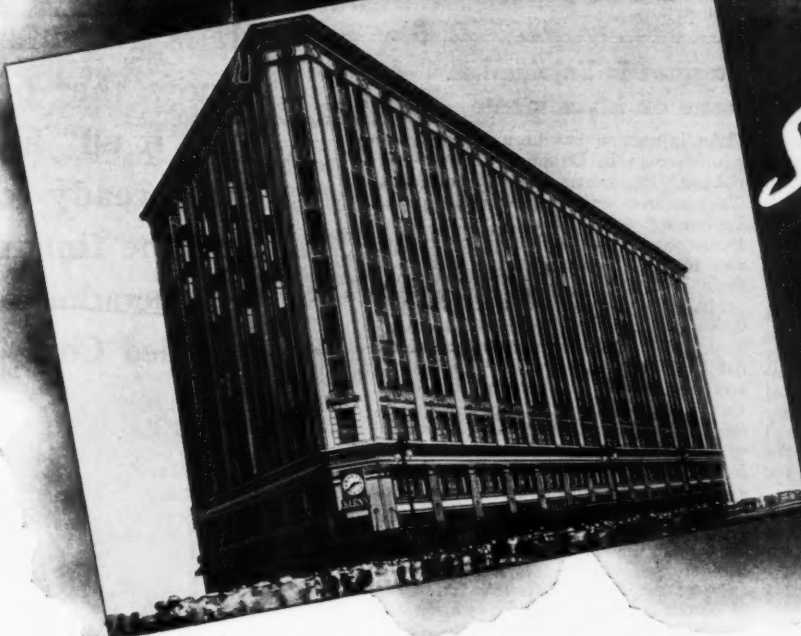
The steamer "America," which is the largest ocean liner that has ever been built on this side, docked at the New

York pier last week from Newport News, Va., where it was constructed. It is 723 feet over all in length. It is insured for \$17,600,000. The vessel is the most highly valued one ever launched in the American waters. The insurance is all placed in the American market.

It is understood that the name of the California-Union Underwriters of the Security of New Haven, formed when the old California Union ceased active operations and the Security of New Haven took it over, will be changed to Golden Gate Underwriters.

IT COST \$100,000

...this lesson... that



SMOKE

can be as
damaging
as fire

AT KERN'S DEPARTMENT STORE IN DETROIT, FOR EXAMPLE:

...fire broke out in a duct of the air conditioning system on January 31, 1938. Direct fire damage was only a few hundred dollars. But dense clouds of smoke, generated by the burning of oily lint and dust adhering to a filter, quickly spread through the basement, first and ninth floors of the store, causing damage to merchandise in excess of \$100,000.*

To combat this threat of smoke damage—as well as fire, panic and other hazards in which air duct systems are a factor—A.D.T. has developed a complete system of Automatic Fire and Smoke Control for Air Duct Systems. With this protection, the presence of smoke or fire is detected automatically, and the air duct system is instantly removed as a hazard through automatic stopping of fans, closing

of dampers, and the performance of all other necessary control and alarm functions.

Kern's department store adopted suitable A.D.T. protection shortly after the costly experience described above. Undoubtedly there are among your clients many who also need this type of special protection—and you can render them a genuine service by pointing out the seriousness of the hazards involved, and recommending proper protection measures.

We shall be glad to send you a booklet describing A.D.T. Automatic Fire and Smoke Control for Air Duct Systems.

*Details of this and other fires involving air duct systems may be found in the N. F. P. A. Quarterly for Jan., 1936; April, 1938; and April, 1940.

A. D. T. AUTOMATIC FIRE AND SMOKE CONTROL FOR AIR DUCTS

Controlled Companies of AMERICAN DISTRICT TELEGRAPH CO. 155 Sixth Avenue, New York, N. Y.
CENTRAL STATION OFFICES IN ALL PRINCIPAL CITIES OF THE UNITED STATES



Electric Protection Services
AGAINST FIRE · BURGLARY · HOLDUP
A NATION-WIDE ORGANIZATION

WASHINGTON AGENTS' LEADERS



H. T. ANTHONY

At the annual meeting of the Washington Insurance Agents League at Seattle this week, H. T. Anthony, well known local agent at Spokane, presi-



IRWIN MESHER

dent, will be in charge of the business sessions. Irwin Mesher of Seattle, executive secretary, arranged the convention details.

Insurance Must Publicize Its Activities: Salzman

DETROIT—While Detroit agents have been working hard in their own agencies, problems have arisen that demand attention and cooperative effort if the business is to continue on an even keel, Elmer Salzman, newly appointed secretary-manager of the Detroit Association of Insurance Agents, said in his first appearance before the association.

"First, I think you should become a source of news for the insurance business," he said. "News can come only from the members, because your contacts will be 100 times more fruitful of news than mine. Our association simply must become better known so we will find a better public acceptance of the things we say and the product we have to sell."

"State and city officials naturally give the most attention to the groups that are best known to them. We must make the aims of our organization better known to these officials. Our business and our association can become best known through the public press. We will serve the public best and ourselves best by making the problems of the insurance companies and the agents understood and appreciated by the public."

Loose Attitude Toward Insurance

"Too many people think insurance is all about the same and that it represents a printed folder with your name typed on it. Stock company insurance must be sold as a part of the American way of life. The buyer must consider himself a crusader for a cause. People have become infected with a loose attitude toward insurance. For example, there are the builders who write insurance, the mortgage companies writing it. What makes it possible for this kind of competition to flourish? It is the present loose public conception of insurance."

"Until we can advertise, publicize and sell ourselves to the public as insurance counsellors we will be troubled with this kind of competition. The remedy lies in a more dynamic kind of competition that will outsell our competitors. Sell what you have to sell, wrapped up in a parcel with a lot of other service; if you do, competition will soon feel it."

President Marantette called attention to the state convention to be held in Detroit Sept. 5-7. He said Harry Quinn, Maryland Casualty, president Casualty & Surety Executives Association, and R. J. Price, New York Underwriters, president Michigan Fire Underwriters Association, have assured their support. P. H. Midyette, vice-president National Association of Insurance Agents, will be one of the speakers at the convention.

Taggart Is Enjoined in Issue on Investments

An injunction has been issued by an equity court in Dauphin County, Harrisburg, Pa., restraining Commissioner Taggart from enforcing his ruling of last September which would have forced Pennsylvania fire and casualty companies to dispose of millions of dollars of their investments.

Mr. Taggart put a new construction upon the investment law of Pennsylvania. That law specifies a restricted list of investments for the "capital" of any stock fire or casualty company. Until Mr. Taggart issued his ruling, the word "capital" had been construed to mean merely capital stock. Mr. Taggart, however, said that it should be given a broader meaning and should include virtually all assets except net surplus.

Several Pennsylvania companies brought suit for an injunction. The suits of the North America, Indemnity of North America, Fire Association and Franklin Fire were heard together.

In his 23-page decision, Judge Hargest upheld the companies' interpretation of capital, and struck at efforts of administrative officials to assume "additional powers."

"In the evolution of the law in the administration of democratic government," he said, "no proposition has been currently attracting more discussion than the tendency of extra-judicial tribunals and governmental officials to reach out and exercise more powers than they have heretofore been attempting to exercise."

"In the instant case, if the insurance commissioner has the power, he has had it for 29 years and yet has never attempted its exercise. Just such attempts in endeavoring to exercise or to secure additional powers have brought from courts serious discussion emanating in the principle that the granting of such extra-judicial powers shall be strictly construed."

Joliet Insurance Outing

M. H. Hollingsworth, newly elected president of the Joliet, Ill., Insurance Agents Association, is in charge of the field day and golf outing to be held, Sept. 5 at Big Run Golf course. Tickets are \$2.50 and reservations may be made through Eric Anderson, Illinois Securities Co., 66 North Chicago street, Joliet, Ill.

"Footprints on the sands of time are not made by sitting down."—Lord Dewar.

HOME RUN!

Nobody expects a ball player to knock a home run every time he comes to bat. If he'll just get on base, his teammates will help him score.

It is a comfort to an Agent to know that he doesn't have to "do it all" himself; that behind him, ready to help him score, are the financial resources and co-operation of a sound, service-minded Company.



PHILADELPHIA FIRE and MARINE INSURANCE COMPANY

HEAD OFFICE: 1600 Arch St., Philadelphia, Pa.

NEW YORK OFFICE: Central Fire Agency, Inc.
92 William Street, N.Y.C.

CHICAGO OFFICE: 709 West Jackson Boulevard

SAN FRANCISCO { Fire—425 Montgomery Street
OFFICES: { Marine—222 Sansome Street

NEWS OF FIELD MEN

Blue Goose Awaits Grand Nest Splash

PHILADELPHIA—Members of the Blue Goose in this section are building up much enthusiasm for the annual conclave of the grand nest to be held here at the Benjamin Franklin Hotel, Aug. 20-22. Paul Fell, chairman of the entertainment committee, has the chief responsibility on his hands, being assisted by H. B. Nelson. Before the convention proper gets under way the Penn pond will hold open house the evening of Aug. 19. The grand nest international golf tournament will be held the next afternoon at the Llanerch Country Club. Teams representing Canada and the United States will play for the international trophy. Nonteam members will compete in a special tournament. A sightseeing trip to historic Valley Forge is arranged for that afternoon.

Western Bar Room Featured

On the evening of Aug. 19 will be the get together dinner, followed by amusements of various sorts. The total ballroom is to be converted into a reproduction of a western bar room of the days of '49.

The next evening delegates and guests will meet at a dinner at the hotel and afterward witness a gala floor show. The convention will wind up with the annual good fellowship banquet on Thursday evening. Chairman Fell is a past most loyal gander of the Penn pond. He is a native of Nebraska. He joined the Philadelphia Fire Underwriters Association in 1910, becoming assistant secretary before he was appointed superintendent of the suburban division of the Middle Department Rating Association in 1936. He is chairman of the educational committee of the Philadelphia Insurance Society and one of the governors of the Insurance Institute of America.

Knowlan is on the Job

J. R. Knowlan, most loyal grand gander, has had a large share in the convention arrangements. He is president of Knowlan-Thorp & Co., whose "Schmidt Surveys" are known in all underwriting offices in this section. He served as most loyal gander of the Penn pond as well as filling other positions leading up to that post.

Ben S. McKeel of New York City, grand supervisor of the flock, will undoubtedly be the next most loyal grand gander. He was formerly special agent for the New York Underwriters in North Carolina and he was elected grand keeper of the golden goose egg when he was a field man there. He still retains his membership in the Carolina pond.

Belford Takes Position in the Minnesota Field

Robert O. Belford has taken his new position as Minnesota state agent of the Pacific National Fire, reporting to the western department in Chicago. He has been connected with the Fire Underwriters Inspection Bureau at Minneapolis for the last nine years. He is a brother of Walter W. Belford of Milwaukee, who is state agent for the Rhode Island in Minnesota, Wisconsin and the Dakotas. He succeeds A. E. Turnquist, who recently resigned. His headquarters are at 13303 Park avenue, Minneapolis.



R. O. Belford

Since he started up in the grand nest he went to New York where he was manager of the General Cover Department.

P. M. Winchester Is Backed for Grand Nest Office

P. M. Winchester, manager of the Newark office of the Fire Companies Adjustment Bureau, 31 Clinton street, Newark, N. J., is being sponsored by the New York City Blue Goose for grand keeper of the golden goose egg at the forthcoming grand nest meeting in Philadelphia. He is a past most loyal gander of the New York City pond and last December was given a dinner in honor of his splendid service. The New York City pond is seeking support of others for his candidacy.

New Illinois Committees

Frank Cargill, North British & Mercantile, as most loyal gander, has appointed the new committees of the Illinois Blue Goose. Chairmen are: S. S. Leseth, Glens Falls, membership; D. C. Campbell, America Fore, guards; James E. Guy, America Fore, entertainment;

John Chickering, Sun, visiting; A. A. Knopp, New York Underwriters, memorial; R. L. Britt, Gulf, dues; Ralph S. Danforth, Millers National, initiation; R. F. Woltersdorff, Atlas, finance and auditing; D. J. Harrigan, St. Paul, relief.

Busack Leaves Pioneer Agency

H. C. Busack is no longer connected with the Pioneer General Agency, Milwaukee, Wisconsin general agents of London & Scottish. Previous to becoming special agent for the agency, Mr. Busack was for many years state agent of Norwich Union.

Security Names Livsey

Carl S. Livsey, who has been with the Keysey Realty Company in Salt Lake City, has been appointed special agent of the Security of New Haven for Utah and southern Idaho. He succeeds the Security General Agency of Salt Lake City, which will be dissolved.

Reed Made Nebraska Head

At the annual meeting of the Nebraska Fire Underwriters Association, E. A. Reed, St. Paul F. & M., was elected president; G. M. Beals, Glens Falls, vice-president, and E. S. Freeman, Agricultural, secretary and treasurer. The executive committee consists of E.

V. Nevburger and E. L. Murphy, Underwriters General Agency; Tom Caldwell, Home; Russell Johnson, New York Underwriters, and J. B. Wyatt, North America.

McKee with Rhode Island

As managers of the middle department of the Rhode Island, Hatcher & Corbett, of Philadelphia and Pittsburgh, appointed R. T. McKee, special agent in western Pennsylvania, West Virginia and western Maryland, with headquarters in the Commonwealth building, Pittsburgh.

Fowler New Chesapeake Wielder

Addison F. Fowler, Central of Baltimore, has been elected wielder of the Chesapeake Blue Goose in place of James H. Shannon, Northwestern National, who was elected at the annual meeting but found it impossible to serve.

Ohio Field Meetings Sept. 9-10

The Ohio Blue Goose will hold a business meeting in Cincinnati the evening of Sept. 9. The following morning the field clubs will meet and in the afternoon the usual fall party will be held.

State Agent V. S. Kerans of Corroon & Reynolds, chairman of the

SHOWMANSHIP

will never die...



The show must go on—if sales must come in. So ring up the curtain on our advertising and merchandising plans—especially prepared for you. Act number one is a continuous national advertising campaign—in magazines reaching 2,000,000 prospects every month. Act number two is direct mail material with which you can follow up our national ads. And act number three is The Employers' Pioneer, our monthly house organ—filled with good constructive articles that show how to increase your sales with the help of our advertising.

Want a Couple of Ducats?
Simply write to our Publicity Department for some recent issues of our house organ The Employers' Pioneer. They'll give you front row seats for our sales promotion show. You'll see how Employers' Group Agents profit by it. No charge—the Pioneers are on the house.

**The
EMPLOYERS' GROUP**



110 Milk Street, Boston, Mass.

THE EMPLOYERS' LIABILITY ASSURANCE CORPORATION, LIMITED
THE EMPLOYERS' FIRE INSURANCE CO. — AMERICAN EMPLOYERS' INSURANCE CO.

B.D.O. committee of the Southern California Fire Underwriters Association, announces a B.D.O. meeting in Los Angeles, Aug. 26.

Behnke with General of Seattle

Howard Behnke, who was formerly manager of the insurance department of the Northern Trust Co., Chicago, has

joined General of Seattle as special agent in Illinois.

A. H. Schuneman Resigns Field

A. H. Schuneman of Nashville, has resigned as special agent for Buffalo.

The Seattle Blue Goose as usual held its annual picnic at the home of Roy Nelson on Lake Washington.

AS SEEN FROM CHICAGO

SMILLIE SUCCEEDS RAYMOND

A. M. Raymond, who has been manager of the Chicago office of Travelers Fire for 15 years and of Charter Oak Fire since its organization, has retired because of his health. He was granted a leave of absence in March and went to Florida to recuperate, but recently decided to give up business entirely. A. B. Smillie, associate manager in Chicago, has been made manager there. He formerly was manager of the Indianapolis office of Travelers.

CHICAGO'S FIRES INCREASE

The Chicago Fire Insurance Patrol reports a number of fires in July, they being the highest for that month since 1936, and showed an increase of 5.31 percent from the corresponding period last year. July's total fires were up 31.46 percent. Fires for the first seven months in Chicago have increased right along. There were 5,063 fires in Chicago the first seven months of the year, compared with 4,496 the same period last year, increase 12.61 percent. January showed an increase of 81.47 percent and June, 15.20 percent. There were two months that showed a decrease: March, 8.59 and May, 12.03. Many fires in July were caused by sparks from burning rubbish, defective wires or motors. The largest fire in June was in the lumber yards of the Harris Bros. Company, 1349 West 35th street. The loss was \$200,000.

CHICAGO EDUCATIONAL WORK

The Chicago committee of the Insurance Institute of America has made its report on the educational work during the year. It has announced that 379 students took the subject in seven courses and of the number 188 or 47 percent received cash awards for satisfactory attendance. J. T. McWhorter of Fred S. James & Co. led in No. 1 of the fire course. His average was 93.1. Dorothy Miller of the Butler Motor Company was the highest among those taking No. 2 fire course, with an average of 84.1. Viola Leatinen of the Standard Accident had the highest average of No. 2 casualty students while Margaret Bronson, American Liability, led Casualty 3 group. Don Hartline of the Marine Office of America was the top man in the inland marine course.

Miss Miller obtained the highest honor of all the graduates, having magna cum laude honor. Miss Bronson and F. L. Stack of the Liberty Mutual graduated from the casualty division with cum laude honor. E. R. Spencer of A. S. Schwartz & Co. finished the fire branch with cum laude. Other graduates are W. B. Arnold, Aetna Fire; F. C. Anderson, Aetna Fire; L. B. Lindquist, Illinois Audit Bureau, and Lyman Teaks of the Farmers Mutual Reinsurance.

SELECTING FIRE FIGHTERS

The Public Administration Service, 1313 East 60th street, Chicago, has gotten out another of its services entitled, "The Selection of Fire Fighters." It costs 75 cents. It has to do with qualifications of a good fireman, the recruitment program, intelligence tests, etc.

CRAWFORD & CO. IN NEW OFFICE

R. N. Crawford & Co. of Chicago now is installed in its new, much larger office in the State Bank building. This office, which is on the 14th floor facing both on LaSalle and Monroe streets, is about 25 percent larger than the quarters in

the Insurance Exchange which Crawford & Co. has occupied for many years. There are seven private offices, one at the LaSalle-Monroe corner being occupied by R. N. Crawford, another by D. W. Eggert, vice-president. Soundproof ceilings were installed. The offices were designed for best efficiency, with the clerical force segregated on inner court space and a separate filing section. Porter Fox, former investment counselor of Chicago, has joined Crawford & Co. as an associate. The new telephone number is Randolph 0750.

MILLERS NATIONAL MOVES

Millers National is now operating from its new home office quarters, which comprise almost the entire second floor of the Board of Trade building, Chicago. The move from the Insurance Exchange building was accomplished expeditiously.

The quarters are handsome, distinctive and conveniently arranged. Most of this space was occupied by Lee, Higginson & Co., and that tenant spent perhaps \$150,000 in improvements which reverted to the building and which are now being enjoyed by Millers National. These include especially handsome treatment of the executive offices. Each office is handled in different material and the design in each office differs. Then there is a special ventilating system that Lee, Higginson had installed. There is a small luncheon room and numerous other refinements. The quarters may be entered from a special stairway with its own door on the front of the building.

Friends have been visiting the new offices this week and the officers and staff are pridefully showing off. However, the official housewarming date is Aug. 14.

T. M. Petersen, who has agencies in Springfield, Mass., and Boston, is a candidate for the state senate to succeed E. S. Oppenheimer, now manager of the Associated Insurance Agents & Brokers of Boston, who is not seeking reelection. Mr. Petersen has served 12 years in the lower house of the legislature.

Conventions

Aug. 8-9—Washington Agents, Olympic Hotel, Seattle.

Aug. 12-13—Idaho Agents, Hayden Lake.

Aug. 19-20—Montana Agents, Lewis-town.

Aug. 20-22—Blue Goose grand nest meeting, Benjamin Franklin Hotel, Philadelphia.

Aug. 22-23—Minnesota Agents, Hotel Duluth, Duluth.

Sept. 4-6—Iowa Agents, Fort Des Moines Hotel, Des Moines.

Sept. 4-6—International Association of Insurance Counsel, Greenbrier Hotel, White Sulphur Springs, W. Va.

Sept. 4-6—Michigan Agents, Book-Cadillac Hotel, Detroit.

Sept. 5-7—Federation of Insurance Counsel, Hotel Traymore, Atlantic City.

Sept. 6-7—Wyoming Agents, Casper.

Sept. 8-10—Insurance Advertising Conference, Haddon Hall, Atlantic City.

Sept. 9-11—International Claim Assn., Broadmoor Hotel, Colorado Springs.

Sept. 9-13—Insurance Section American Bar Association, Bellevue-Stratford Hotel, Philadelphia.

Sept. 13-14—Colorado Agents, Broadmoor Hotel, Colorado Springs.

Sept. 13-14—N. Y. State Association of Cooperatives, Utica, N. Y.

According to

PHIL

By Phil Braniff
Insurers Indemnity &
Insurance Co., Tulsa



One meets the most fascinating people in the gutter, Gentlemen of leisure and others who work for their bread 'n butter. Men who mumble in their beards and occasionally mutter. Bums and dopes and some nice people whose uselessness is quite utter. Men of learning, too, men of letters Who sink into life's cesspool where no man meets his betters. Bleary eyed men, thinking perhaps of better days. Planning futilely with one more drink to mend their ways. Nibbling of the lotus blossom, quaffing of the flowing cup, Unable to slip further down, unwilling to rise higher up. Bleary eyed men, jerky, twitchy men who gulp their drink And ask only that they be let alone to neither talk or think. Broken bodies, useless hulks of ships once launched upon a tranquil sea. Now human driftwood, aimless, sodden, pitiful debris. I corners one old watery-eyed bloke who looks like he could hoist a few 'N says "I'll buy a drink" 'n asks him how, 'n when 'n where 'n who. He looks at me 'n says "Buddie, there ain't much to tell "I used to be an insurance agent—good business—doin' well—"Got to doin' a little gin hoistin'—lettin' collections go—"Puttin' off solicitin' renewals—comin' to the office late 'n so "Finally I wakes up broke 'n hungry 'n without any friends—"N—hey, where you goin'—want to hear it all? That ain't the end!" "S'cuse me" sez I, "I gotta go!—here's two bits for another drink!" "There's som'p'm I forgot to do—I just happened to think!"

PHIL.



This poor girl is going to have a terrific case of sunburn if she gets out on the beach in this scanty bit of "coverage" . . . so, too, the agent who fails to provide adequate and proper protection for his assureds is likely to subject them to equal

discomfort! Why not avoid such a contingency by taking advantage of the unrivaled facilities offered by the Phoenix-London multiple line Group—place all your Fire, Casualty and Inland Marine business through a single organization!



PHOENIX-LONDON Group

55 FIFTH AVENUE, NEW YORK CITY

FIRE COMPANIES

Phoenix Assurance Co., Ltd.

Imperial Assurance Company

Columbia Insurance Company

United Firemen's Insurance Co.

The Union Marine & General Insurance Co., Ltd.

CASUALTY COMPANIES

London Guarantee & Accident Co., Ltd.

Phoenix Indemnity Company

NEWS OF THE COMPANIES

NATIONAL
UNIONFIRE INSURANCE
COMPANYPITTSBURGH
PA.

(Underwood & Underwood)

A LEADER
AS
A
GOOD AGENCY
COMPANYNiagara Fire Now
Is a Nonagenarian

Niagara Fire of the America Fore group has now attained the age of 90. It is the oldest company of the group. It has had a most honorable history and has come through each test during its lifetime in ever stronger condition. The organization meeting was held in New York Dec. 19, 1849. S. T. Jones



B. M. CULVER

was named chairman and William Bend, secretary. On Aug. 1, 1850, it commenced business at 56 Wall street with capital of \$200,000. Mr. Bend, who had been a commission merchant, was president. He died within two years and was succeeded in the presidency by J. D. Steele, who was progressive and enterprising. Theretofore the business had been mainly in New York City, but Mr. Steele was eager to expand its operations. In 1852 an agency was established in San Francisco. In 1860 agencies were established in Detroit and Charleston, S. C., and in 1862 a branch was opened on the west side of New York City "in order to get some of the good west side New York business." Niagara was one of the first insurers to enter the south after the Civil War. In 1864, capital was increased to \$1,000,000 and East River Insurance Company was merged with Niagara.

In 1870 Niagara started to issue participating policies. In 1871 there was a general reorganization of the office force. Henry A. Howe was elected president. At the end of that year capital was \$1,000,000 and assets \$1,304,567. The office was moved to 201 Broadway. The losses of Niagara were \$256,000 in the Chicago fire and \$358,000 at Boston. Hence, capital was reduced to \$500,000 in 1872.

Peter Notman was elected president in 1880 and in the same year the management decided to comply with the provisions of the New York safety fund law. In 1890 the company purchased the building at 135 Broadway for permanent quarters. It agreed to manage the U. S. business for Caledonian. Thomas S. Goodrich was elected president in 1893. The contract with Caledonian was canceled. At the end of 1895 capital was \$500,000, assets \$2,189,879 and net surplus \$1,689,879.

Harold Herrick was made president in 1896. The home office building was sold and the company negotiated a lease in the Continental Insurance Company building. Niagara suffered a loss of about \$2,100,000 in the San Francisco conflagration. It was necessary to reduce capital to \$250,000 and get new money. In June of 1906 capital was increased to \$750,000, sold at 200 percent of par, adding \$1,000,000 to resources. In 1907 the company moved to 25 Liberty street

and capital was increased to \$1,000,000.

In 1919 a general agency was established to issue the Niagara-Detroit Underwriters policy which was apportioned three-fifths to Niagara and one-fifth each to Detroit F. & M. and Michigan F. & M. In 1916 Charles H. Coffin was elected president. He died within a month and Mr. Herrick again assumed the presidency.

In 1916 Mr. Herrick retired in favor of O. E. Lane, who is now president of Fire Association. B. M. Culver, now president of the America Fore companies, was made vice-president in 1917. At the end of 1916, capital of Niagara was \$1,000,000, assets \$7,726,669 and net surplus \$2,779,767. Under Mr. Lane, a period of expansion began. In 1920, capital was increased to \$2,000,000 and in 1922 to \$3,000,000. In 1926 Niagara acquired control of Maryland Motor Car and the title of that company was changed to Maryland Insurance Company.

Niagara joined the America Fore group in 1929 and at that time Mr. Culver was elected vice-president of all the companies in the group. Ernest Sturm was chairman and Paul L. Haid president. Mr. Haid thus became the eighth president of Niagara.

Mr. Culver became the next president of the company when Mr. Haid resigned in 1932 to become president of the Insurance Executives Association. As of Dec. 31, 1939, Niagara had capital of \$2,000,000, assets \$24,398,807 and net surplus \$16,216,392.

Sell Trust Fund Certificates

The promoters of Secured Fire & Marine of Indianapolis are raising the necessary funds through sale of so-called trust fund certificates. These instruments are issued by Secured Underwriters, Inc. The purchaser pays in \$150 a year for 10 years and then the certificate provides that he is to get at least \$1,500 back plus 20 shares of stock of Secured F. & M. and he is to receive cash payment each year from a fund created by the payment of Secured F. & M. of 5 percent of its direct premium income on Indiana business.

Secured F. & M. is projected as a company to write regular fire business and full coverage automobile.

A number of insurance men are listed as directors of Secured F. & M. They include D. Sherman Ellison, local agent at South Bend, Ind.; William Ingalls, local agent of Bedford, Ind.; E. O. Burget, president Peoples Life of Frankfort, Ind.; W. A. Watts, who was president of the old Preferred Life of Grand Rapids, Mich., and the old Merchants Life of Des Moines.

E. C. Shireman, president of National Bank of Martinsville, Ind., is chairman of Secured F. & M. Mr. Watts is vice-president.

Resolute Fire Expands

The Resolute Fire of Providence, R. I., which specializes on finance automobile business, is licensed in the District of Columbia, Connecticut, Delaware, Maryland, Michigan, Oklahoma, Ohio, Pennsylvania, Rhode Island, Vermont and West Virginia. It writes a general line of business. O. L. Heltzen, former insurance commissioner of Rhode Island, is president. It operates through agents and is extending its plant.

Three New Assistant Secretaries

Three members of the Hamilton Fire organization have been elected assistant secretaries, they being: G. E. Bogert, R. L. Wrenn and F. E. Moberg.

CHIEF ACCOUNTANT WANTED

By large Chicago local agency. Male. State age, qualifications, references, and salary expected. Address L-98, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

COOPERATION
with AgentsRELIABLE'S
POLICY
For Over 75
YEARS

Reliable Fire Insurance Company's CO-OPERATION WITH AGENTS means that you, as our agent, are always welcome to call directly upon one of RELIABLE'S officers or field representatives for help in solving a difficult problem.

Reliable's state and special agents are chosen for their long experience in field work, for their understanding of the local agent's problems, and for their ability and willingness to help solve these problems. Such cooperation makes RELIABLE FIRE INSURANCE easier to sell.

Well known for financial stability and prompt payment of just claims, RELIABLE has thousands of policies in effect. You'll be proud to represent RELIABLE.

Learn how you can increase your income by selling RELIABLE FIRE INSURANCE. Write today. Address Wm. F. Kramer, President; E. J. Weiss, Secretary.

For 75 Years
a Name to Rely On!

STATE AND SPECIAL AGENTS

Finnell & Finnell
2527 David Stett Bldg.
Detroit, Michigan

R. E. Metzger
162 E. Dunedin Rd.
Columbus, Ohio

C. R. Dobbins
(Indiana and Illinois)
3339 Carrollton Ave., No. 14
Indianapolis, Indiana

RELIABLE
FIRE INSURANCE CO.
Dayton, Ohio

An Independent Ohio Company with
current surplus to policyholders of
\$1,101,516.20

Many Companies File Fire Premium Figures for Year

Fire premium figures have been filed with the city comptroller's office in Chicago by 120 stock companies and 49 mutuals, covering business written in Chicago in the fiscal year ended June 30. The new blank provided by the comptroller requires the showing of total premiums written by fire companies in the city, including business written through associations and pools. The companies also must set forth their premiums on miscellaneous covers such as extended insurance, tornado, sprinkler leakage, riot and civil commotion and automobile other than fire. However deduction may be made for these miscellaneous classes, so that the 2 percent tax is paid on only the straight fire premiums, including those placed through organizations. The figures presented below are for fire premiums only on which the 2 percent tax is paid:

STOCK COMPANIES			
	1940	1939	1938
Aetna Fire.....	\$321,709	\$355,920	\$425,429
Amer. Alliance.....	35,292	45,077	39,738
Amer. Drug.....	39,321	38,953	43,703
Amer. Equit.....	118,137	139,067	111,144
Amer. & For.....	21,136	17,129	17,595
American, Tex.....	1,835	.....	.....
Anchor.....	6,707	6,932	7,117
Assoc. F. & M.....	64	214	26
Atlas Assur.....	80,391	77,466	73,845
Birmingham.....	59,657	53,207	64,243
British & For.....	853	.....	.....
Caled.-Amer.....	14,412	14,751	.....
Camden.....	50,213	52,530	48,223
Central, Md.....	12,982	13,507	20,450
Central Surety.....	323	382	166
Charter Oak.....	3,066	5,180	8,717
Columbia, N. Y.....	6,616	.....	.....
Commerce.....	18,324	21,540	27,633
Coml. Stand.....	588	595	925
Coml. Un., Eng.....	92,009	97,672	94,484
Concordia.....	52,294	57,134	52,194
County Fire.....	5,788	7,250	13,695
Detroit F. & M.....	44,367	53,951	50,722
Dubuque F. & M.....	125,088	142,107	154,957
Eagle Star.....	48,668	57,896	52,772
Emmco.....	9,933	.....	.....
Employers.....	33,478	25,344	26,428
Eureka-Sec.....	28,201	23,529	19,335
Excelsior.....	2,323	2,258	4,480
Farmers, York.....	17,716	22,065	34,757
Federal, N. Y.....	18,611	19,929	11,780
Fid. & Guar.....	128,543	138,734	143,639
Fire Assn.....	104,703	113,033	115,629
Fireman's Fund.....	141,271	145,082	141,180
Firemen's, N. J.....	111,132	109,357	107,565
Franklin Nat.....	40,776	39,200	43,198
Fulton.....	6,027	556	6,181
General Exch.....	25,981	22,766	25,008
Girard F. & M.....	169,041	184,796	212,363
Glens Falls.....	138,283	139,667	172,340
Globe & Reo.....	76,858	76,814	85,412
Granite State.....	29,003	34,373	25,008
Great Amer.....	158,826	165,387	149,888
Gulf.....	17,049	18,982	28,858
Hanover.....	100,373	101,068	121,229
Home F. & M.....	47,544	47,813	40,162
Imper. Assur.....	72,502	92,653	76,044
North Amer.....	332,194	335,459	308,164
Kan. Cy. F. & M.....	2,271	4,549	917
Knickerbocker.....	63,710	31,335	35,112
Law, U. & Rock.....	68,456	65,993	63,247
L. & L. & G.....	207,698	198,710	198,399
Lond. & Lanc.....	124,947	128,014	100,079
Lond. & Prov.....	35,946	41,367	45,326
Lond. & Scot.....	18,823	18,637	20,597
Lumberm., Pa.....	21,834	17,381	21,600
Marine.....	2,748	2,382	2,182
Mass. F. & M.....	18,069	11,365	8,043
Mech. & Trad.....	16,046	15,196	15,339
Merch. & Mfrs.....	34,394	25,696	27,883
Merchs., Colo.....	6,116	7,522	7,089
Merchs., Ind.....	55	1,564	1,814
Merchs., R. I.....	23,719	49,647	5,285
Mercury.....	89,361	84,362	37,632
Mich. F. & M.....	57,543	39,610	38,936
Milw. Mech.....	143,993	154,360	173,289

	1940	1939	1938
Monarch, N. Y.....	22,245	30,856	53,088
Natl.-Ben. Fr.....	40,641	40,254	48,637
National, Conn.....	328,510	310,025	271,938
Nat. Secur.....	27,494	19,182	24,447
Nat. Union.....	116,120	100,487	93,421
Newark Fire.....	44,567	50,613	41,761
New England.....	5,579	8,919	6,826
New York Fire.....	68,894	49,363	40,712
Northern Assur.....	72,339	82,128	68,271
Northw. Nat.....	307,932	300,333	321,114
Occidental.....	23,601	25,103	21,595
Ohio Cas.....	2,289	2,054	1,830
Ohio Farmers.....	15,072	15,666	18,901
Orient.....	103,972	130,775	123,414
Pacific Natl.....	125,543	98,194	85,116
Pearl Assur.....	210,813	226,747	284,224
Phila. F. & M.....	76,080	63,476	68,302
Phila. Natl.....	14,091	13,505	12,898
Phoenix Assur.....	94,379	82,358	91,572
Piedmont.....	3,009	1,446	2,254
Prov. Wash.....	82,947	98,909	87,290
Prov. N. Y.....	28,160	24,166	26,763
Quaker City.....	.....	.....	.....
F. & M.....	26,708	14,069	22,999
Queen.....	85,520	88,505	87,462
Reliance.....	30,632	34,047	42,105
Rhode Island.....	51,961	45,549	65,612
Roch. Amer.....	9,779	9,407	8,648
Royal Exch.....	107,902	105,873	112,371
Royal.....	228,628	217,983	231,191
Safeguard.....	25,644	24,106	18,408
St. Paul F. & M.....	147,035	142,540	141,286
Sea.....	1,738	1,024	485
Seab'd F. & M.....	28,747	23,276	25,253
Sentinel.....	41,163	33,416	58,725
Springfield.....	214,006	202,906	228,653
Stand. Mar.....	26,668	23,412	23,490
Star.....	50,274	48,042	44,807
Switz. General.....	3,094	.....	.....
Transcont.....	12,978	38,253	.....
Travelers Fire.....	132,105	130,685	130,220
Trinity Univ.....	1,263	3,381	4,471
Union, Canton.....	5,303	6,464	6,575
Un. Mar. & Gen.....	11,232	7,703	7,281
Western, Kan.....	4,433	7,130	11,162
World F. & M.....	21,929	39,134	43,437
Yorkshire.....	73,942	66,772	71,433
Zurich.....	2,597	2,949	3,807

MUTUALS

Allied Am. Mut. \$	11,327	\$	8,814	\$	4,848
American Mut.....	5,352	5,604	5,683		
Arkwright Mut.....	7,399	9,157	9,090		
Atlantic Mut.....	10,665	3,681	.....	
Auto. Mut., R. I.....	1,449	1,447	1,313		
Badger Mut.....	35,453	26,355	19,634		
Berkshire Mut.....	2,122	1,405	322		
Blackstone Mu.....	8,703	13,459	8,634		
Boston Mfrs. M.....	10,471	18,769	14,681		
Central Mfrs. M.....	40,556	29,938	29,293		
Cotton & Wool.....	.....	.....	.....
Mfrs. Mut.....	2,647	4,032	7,090		
Employers Mut.....	11,601	7,852	3,366		
Enterprise Mut.....	5,352	5,604	5,683		
Fall River.....	.....	.....	.....
Mfrs. Mut.....	2,697	5,318	4,045		
Federal Mut. F.....	279	272	350		
Firemen's Mut.....	19,771	14,147	40,577		
Glen Cove Mut.....	1,175	215	486		
Grain Dirs. Mut.....	17,089	8,121	16,747		
Hardw. Dirs. M.....	39,555	27,335	35,533		
Hardware Mut.....	.....	.....	.....
Minn.....	7,08	24,680	33,153		
Hope Mutual.....	2,431	4,129	4,235		
Imp. Dirs. M.....	929	16	753		
Ind. Lumb. M.....	15,477	11,710	17,200		
Indust. Mut.....	1,324	2,016	3,545		
Iowa Hd. M.....	929	871	779		
Mechanics Mut.....	5,352	5,604	5,683		
Mfrs. Mut., R. I.....	8,920	9,339	9,472		
Mich. Mill. M.....	15,249	9,781	22,225		
Millers M., Pa.....	6,004	4,118	9,759		
Mill Own. M., Ia.....	12,124	7,837	15,796		
Minn. Impl. M.....	35,473	24,680	33,153		
Mkt. Men's M.....	5,565	5,498	5,672		
Natl. Jewel. M.....	1,423	2,312	1,358		
Northw. Mut.....	25,800	23,346	28,986		
Ohio Hd. M.....	929	294	753		
Ohio Und. Mut.....	1,133	2,189	2,327		
Ohio Mut.....	252	284	10		
Pa. Lumb. Mut.....	21,255	20,002	20,682		
Pa. Millers M.....	10,229	9,068	14,738		
Phila. Mfrs. M.....	13,048	6,235	8,278		
R. I. Mut.....	8,920	9,339	9,472		
Rubber Mfrs. M.....	2,647	4,032	7,090		
State Mut. F.....	10,704	12,207	11,366		
Union Mutual.....	40,494	30,773	20,731		
Unit. M., Mass.....	67,177	58,612	.....	
Western Millers.....	.....	.....	.....
Mut., Mo.....	4,983	6,998	.....	
What Cheer M.....	2,431	4,129	4,235		
Workmen's M.....	12,139	4,130	2,459		
Worcester Mf. M.....	2,697	5,318	4,048		

REJECTED RISKS

Hal F. Watson of Oklahoma City, special agent of the Great American group in eastern Oklahoma, went to Colorado Springs for his vacation, got a summer cold but in the midst of doctoring his malady he was exuberant and enthusiastic over what he saw. Here are the attractions that appealed to him: Mountain air, raven haired maidens, fair red heads and blondes, placid pools and fish ponds, slacks that fit and some that convulse, shorts, backless "waistes" that step up the pulse, all state cars, stars and politicians, Boston "gals," pals with malnutrition, wines, beer and ales, showers, sun, mountain gales, ladies in frequent change of costume, Sunday night preachments from an outdoor rostrum, ants, squirrels, chipmunks, woodchucks, station wagons, swimming trunked punks, picnics, overloaded light trucks, bleary eyed gentlemen from last night's dissipation, moonlight, Manitow incline, family groups, summer widows, dirty knees on charming kids, school "mams," Indian dancers, tour spiels weary with questions and answers, gaping girls, fat men in sneakers, bus load of tired, hungry, sunburned Pike's Peakers, costumed groups from Cheyenne frontier days, bingo players awaiting the number that

pays, hairy chests without zippers, assorted lot of returning wind cave trippers, bourgeois bunch of Broadmoor residents, cabins to let, summer lodgers and by-the-week roomers, a foursome of presidential candidate boomers, junior chamber of commerce people.

C. J. Lauer Returns to Chicago

C. J. Lauer returns to the Fireman's Fund western department office in Chicago, having spent the past two years under Ohio State Agent W. A. Sawyer in the capacity of special agent and engineer. Mr. Lauer will assume the duties of staff engineer, in which capacity his field experience along production lines will be of value.

After appearing at the Arkansas insurance school Friday, **Spencer Welton**, vice-president Massachusetts Bonding, expects to take a plane to Los Angeles where he will spend a vacation. Then he will return east via the Pacific northwest making agency visits, getting back in time for the Buffalo convention of the National Association of Insurance Agents.

An aim in life is important; but don't forget to pull the trigger.

Luck comes to him who hustles for success.

Tradition...

Developed in the fine traditions typical of New England . . . our greatest heritage is the constancy of our agents. Their loyalty through many years has become traditional.

RHODE ISLAND

INSURANCE COMPANY
INCORPORATED 1905

BYRON S. WATSON
PRESIDENT

FIRE - AUTOMOBILE - INLAND MARINE

THE INSURANCE BUILDING
PROVIDENCE, R. I.

What Do YOU Expect of the Companies YOU Represent?

Your answer is probably: Timely, Aggressive, Specialized, Friendly cooperation and assistance with ALL local problems—both business-building and underwriting-wise.

. . . And that is the worthwhile cooperation and assistance which you will receive from . . .



The HANOVER FIRE INSURANCE COMPANY of New York
The FULTON FIRE INSURANCE COMPANY of New York

HOME OFFICE
111 John St., New York

WESTERN DEPARTMENT
Insurance Exchange, Chicago



Comments on Insurance Conditions in Great Britain

The "Review" of London, in speaking about the current insurance and reinsurance situation in England, states that the collapse of France has brought to a temporary end a substantial business built up over many years by British companies in that country. Practically all English companies, the "Review" says, were represented there, in addition to which much business, particularly marine, was placed directly in the London market. There was a large amount of reinsurance business originating in France. The "Review" states that there is a certain amount of British business hitherto reinsured in France that has now become available for market elsewhere. The "Review" finds that the business which went to Great Britain from France is far greater than that ceded to France, and in that sense a loss will result to British companies.

Loss of French Business

The "Review" further says: "It does not necessarily follow, however, that British companies will suffer an underwriting loss by the collapse of France. Strenuous efforts have been made in the immediate past to improve the French accident business but it is doubtful whether it had become entirely satisfactory to reinsurers. On the other hand intense competition had begun to have a serious effect on the quality of French

fire business, hitherto freely sought after by foreign reinsurers.

"The British market has for the time being been thrown back upon its own reinsurance facilities, apart from those still available in such countries as Switzerland and Sweden, with which at least telegraphic communication is still possible.

Sound Financial Policy

"We understand that as a result of the developments in France, British professional reinsurance companies have increased their business to some extent. Naturally under present conditions the proportion of home to foreign business for both insurance and reinsurance companies may be somewhat increased and in that case the sound financial policy pursued by British companies in keeping dividends within the limits of investment revenue will get its reward. This policy has enabled the companies to build up strong general reserves as a safeguard against any contingencies that may arise owing to a reduced worldwide spread of business and consequent momentary lopsidedness of accounts. It is well to remember that British insurance is safely anchored in the economic life of the empire and the American continent and, therefore, is little affected by events on the continent of Europe," the article in the "Review" concludes.

\$1,000,000 Damage in Camden Paint Plant Fire

(CONTINUED FROM PAGE 5)

of those fires were controlled without serious damage.

The Hollingshead plant was not engaged in any government work at the time of the fire. It was, however, completing private contracts prior to starting on a \$1,000,000 contract to make gun-metal polish for the army and navy.

That the fire loss on the plant was not greater is due to a large extent to the fact that most of the manufacturing work was being transferred to the company's other plant on the Boulevard and the Market street building was being transformed into a warehouse.

Most of the fire as well as the use and occupancy, was in Franklin Fire. The Hollingshead firm carried a blanket policy on the two plants. The use and occupancy coverage, it was said officially, did not take into consideration the projected contract for the government work. It is estimated that the use and occupancy and fire loss combined on the Hollingshead plant will aggregate approximately \$1,000,000. The adjusting is being carried out by the General Adjustment Bureau. It is believed that the

aggregate loss on the Carpenter street dwellings will not exceed \$75,000.

John Fetzer to Grinnell College

John Fetzer, secretary of W. A. Alexander & Co. of Chicago and head of its educational and sales work, has resigned to go to Grinnell College, Grinnell, Ia., as assistant to its new president, S. N. Stevens, who has been one of the outstanding members of the Northwestern University faculty. Dr. Stevens succeeds President Nollen, brother of Chairman H. S. Nollen of the Equitable Life of Iowa and President G. S. Nollen of Bankers Life of Iowa. Mr. Fetzer and Dr. Stevens are close friends. Mr. Fetzer attended Northwestern. His father, Wade Fetzer, is president of Alexander & Co. and a trustee of Northwestern. His brother, Wade Fetzer, Jr., is vice-president of Alexander & Co. and member of the executive committee of the National Association of Insurance Agents. Dr. Stevens was head of University College of Northwestern. He is 40 years of age.

John Fetzer spent 12 years with Alexander & Co. and then four years with the western department of the America Fore group of fire companies in Chicago doing education work. He returned to Alexander & Co. Oct. 1, 1936, and since

then has devoted his time to its educational and sales promotional work.

Every insurance salesman in undertaking any performance should see to it that the particular thing is done well.

When one sets his mind on accomplishing something and does a finished job, he enters the ranks of leaders.

Face facts . . . half of your troubles come from trying to dodge them.



**SOUNDLY MANAGED
FINANCIALLY STRONG
CAPABLY STAFFED
QUICKLY ACCESSIBLE
PROGRESSIVELY
AGENCY-MINDED**

Morton T. Jones
PRESIDENT

*... that's the
KANSAS CITY'S
"Sales Story" in a nutshell*

**KANSAS CITY Fire and Marine
INSURANCE COMPANY**
CHICAGO OFFICE:
INSURANCE EXCH
KANSAS CITY,
MISSOURI

INDIANA INSURANCE COMPANY

A STOCK COMPANY CHARTERED 1851—OPERATING ONLY IN INDIANA

Capital, Surplus and Reserves for Protection of Policyholders over \$990,000.00

Writing

AUTOMOBILE

All Lines in One Policy

FIRE and WINDSTORM

Combined coverage, equal or unequal amounts, in one policy. Excellent reinsurance facilities.

INLAND MARINE

and All Risk Floaters

PLATE GLASS

Unexcelled contracts

COOLING-GRUMME-MUMFORD CO., Inc.

State Agents

Market 3331

Consolidated Bldg., Indianapolis

SPECIAL AGENTS
ERNEST NEWHOUSE
EMERSON NEWHOUSE
HAROLD H. WELLS
SEYMOUR L. BRAMAN
JOHN P. KEISER

HOW about an agency contract with a Company that will help an agent when help is needed?

EDITORIAL COMMENT

Working Along Day by Day

THE other day THE NATIONAL UNDERWRITER asked one of the leading company executives as to whether he or his associates had any definite prophetic sense on which they could rely to foretell future business and economic conditions even six months ahead in view of the catastrophic war conditions on the other side. He replied and we agreed with him that there is no wizard, no superman, no genius, no one gifted with superhuman brilliancy that is able to divine the future even in that comparatively short span of time.

What then should organizations and persons do to prepare for the great change that is very liable to come over us when the buying power on the other side is cut off very materially, when we have totalitarian governments to deal with, when our own tax burden becomes exceedingly heavy. Perhaps the wisest reply comes from the philosophic answer that this executive gave when he said:

"It seems to me that our company

should go along from day to day in its steady pace, doing the best it can, not attempting to make drastic changes, not inviting a spirit of pessimism in the organization, but having a feeling of confidence in the future because of the good sense of American people and the wisdom of our business leaders. In our own company we endeavor to eliminate hysteria, prejudice, devastating fear. We do not want our people to have inculcated in their minds a feeling of insecurity. Therefore, it is our opinion we should march ahead with our faces toward the sun, being brave soldiers of peace, taking heed of changes that we may see forthcoming, adapting ourselves to them, not incurring any great obligations which we cannot meet out of current funds, but moving along in a natural way just as we have in the past. When we do the best we can and when we attempt to adjust ourselves to new forces and changes, that is about all we can do. We have abiding faith in our country and its people."

Disclosures on State Funds

FROM time to time there are disclosures regarding state insurance funds that bring out weaknesses of legislation of this character. For instance, Commissioner Duel of Wisconsin ordered an audit of its state fire insurance fund, something that had not been done for 30 years. It is found that loans were made by it to enable the construction of the state office building annex and the state orthopedic hospital on the University of Wisconsin campus. It holds the deeds to these two non-liquid, non-revenue-producing properties representing about 50 percent of its assets. In the audit the commissioner rejects the deeds as "admitted assets."

Commissioner Duel points out the fact that "raids" have been made by legislatures in order to get at the state insurance fund assets.

In the first place, any state insurance fund should be required to live up to the same standards as private insurance enterprises. Any such fund should be compelled to carry the same reserves. No private company would have been allowed to have such investments as is bound to exist with the Wisconsin state fund. Neither of these so-called "investments" yields any revenue.

This is another example of the fallacy of allowing the government to enter private business preserves. We have from time to time examples of this character to show that so far as insurance is concerned the private companies are giving far better service and their efficiency is much greater. There is always lack of responsibility in public schemes. Mr. Duel displayed courage in exposing the situation in Wisconsin.

My Job—What Shall I Do with It?

At this time many young people graduating from higher schools of learning, high or grade schools are starting to work. Some are without the advantage of even more than a primary education. They are taking on the responsibility of a position, be it small or large. In 95 percent of the cases the position will be small or should be because anyone tak-

ing his early steps in business or professional life should have a training on the ground floor and learn the fundamentals. It is always a mistake to be placed in a position where one is not capable of handling his work intelligently and satisfactorily. We grow by learning. We enlarge our capacity by experience. We gain knowledge by try-

ing to do things, making mistakes, retrieving lost ground, making ourselves more useful.

Therefore, every young person starting in an insurance position should ask himself, "I have a job. What am I to do with it?" It is a serious question indeed. One's future depends on how he will answer that question and what he has in mind concerning his work. If he takes up his insurance activities in a perfunctory way, feeling that he is only interested in earning a salary, he will not get very far. If he watches the clock, turns his whole attention to his leisure time and endeavors to shorten by every possible means his working hours he will soon find that he is contracting his possibilities. He is not taking his job seriously.

In starting on an insurance program it is highly necessary for one to be very serious about his position. He should have no false ambition. He should attempt to cultivate his ground work exceedingly well. He should lay the foundations solidly. He should always endeavor to ascertain what more he can

do to make himself more useful to his employer. He should seek and not shun hard work. He should study his business assiduously with an eye single of getting himself in better condition to render larger service and to do his work more intelligently. He should keep his eyes ahead but he will not reach his goal unless his work is done well as he goes along. He should pay attention to what he is doing now.

The future will take care of itself if along the way he endeavors to do the very best he can. He should train himself to be ingenious, resourceful and helpful. By all means he should learn by the past and should gradually acquire the faculty of reaching sound conclusions. He should profit by his mistakes and when added responsibilities are given to him he should assume them and do his level best to fill the bill. More responsibility will be given to him if the acid test proves he is reliable.

Yes, the question, "What shall I do with my job?" is the most solemn and important one that a young person starting in business can ask.

PERSONAL SIDE OF THE BUSINESS

Company men in the east will be interested in the intended marriage at East Orange, N. J., August 18, of Miss Elizabeth Roesch to F. W. Mallalieu, Jr. The bride-to-be has been secretary to L. A. Watson, expert of the Schedule Rating Office of New Jersey for the past five years, while Mr. Mallalieu, a nephew of W. E. Mallalieu, general manager of the National Board, is connected with the suburban department of the Great American, in New York City.

Chris J. Muckerman, president of St. Louis Fire & Marine and partner in General Insurors, has been vacationing for several weeks at Burntside Lodge, Ely, Minn., and indulging in his favorite pastime of fishing. Mr. Muckerman will remain at the lodge most of August.

Commissioner Lovejoy of Maine has been named by a group of representative citizens appointed by the governor, investigating acts which may be detrimental to the best interests of the national government, to act as a clearing house between Maine's authorized enforcement authorities and the F.B.I. on matters which come under the head of subversive acts.

David Jones, who just graduated from Carleton College at Northfield, Minn., has gone to New York to take a position in the head office of the Meserole companies. His father is George C. Jones, prominent general agent of Minneapolis.

T. W. Earls, vice-president Earls-Blain Company, Cincinnati, and his partner, Robert Sulzer, were winners of the two-day Tri-State Invitational Golf Tourney at the Cincinnati Country Club, triumphing in a playoff with another team with which they were deadlocked for first place. Douglas A. Warner, an-

other local agent, was tournament chairman.

George M. Blum, Chicago, general adjuster for Underwriters Adjusting, is taking a cruise with Vincent Gallagher, assistant U. S. manager of Pearl in Mr. Gallagher's 35 foot sloop, from New York to Boston. Mr. Blum is a most efficient and intelligent crew.

Joseph T. Dillhoff, prominent Cincinnati local agent, will observe his 35th anniversary in the insurance business Aug. 15. Mr. Dillhoff has continuously represented Newark Fire in that period. Three sons, J. H., R. T., and E. B. Dillhoff, are associated with their father in the agency.

H. K. Schaffner, assistant manager of the National Board, who was on a vacation in New Hampshire, suffered an acute attack of appendicitis on his way home.

Convers Goddard, well known local agent in Chicago, has returned to his office after having been incapacitated for two weeks by pneumonia.

Insurance Director Palmer of Illinois is vacationing on Washington Island, which lies just north of the Green Bay peninsula in northern Lake Michigan waters.

DEATHS

Col. C. H. Randolph, local agent at Pekin, Ill., was found dead in his room in the Tazewell Hotel in that city. A heart attack brought on by the extreme heat was supposed to be the cause. He would have been 81 years old Oct. 13.

Frank M. Rice, 74, who was formerly an insurance company executive in Des Moines and later moved to Chicago, be-



THE NATIONAL UNDERWRITER

Published by THE NATIONAL UNDERWRITER CO., Chicago, Cincinnati, New York. PUBLICATION OFFICE, 175 W. Jackson Blvd., CHICAGO. Telephone Wabash 2704

EDITORIAL DEPT.: C. M. Cartwright, Managing Editor. Levering Cartwright, Assistant Managing Editor. News Editors: F. A. Post, C. D. Spencer. Associate Editors: D. R. Schilling, J. C. O'Connor.

BUSINESS DEPT.: John F. Wohlgemuth, President. H. J. Burridge, Vice-President and Secretary. John Z. Herschede, Treasurer. Associate Managers: W. A. Scanlon, G. C. Roeding, O. E. Schwartz.

CINCINNATI OFFICE—420 E. Fourth St. Tel. Parkway 2140. L. H. Martin, Abner Thorp, Jr., and C. C. Crocker, Vice-Presidents.

NEW YORK OFFICE—123 William St., Tel. Beekman 3-3958. Editorial Dept.—G. A. Watson and R. B. Mitchell, Associate Editors. Business Dept.—N. V. Paul, Vice-Pres.; J. T. Curtin and W. J. Smyth, Resident Managers.

ATLANTA, GA., OFFICE—560 Trust Company of Georgia Bldg., Tel. Walnut 5867. W. M. Christensen, Resident Manager.

BOSTON OFFICE—Room 522, 25 Huntington Ave., Telephone KENmore 5237. R. E. Richman, Vice-President.

CANADIAN BRANCH—Toronto, Ont., 370 Woburn Ave., Tel. Mayfair 4761. W. H. Cannon, Manager.

DALLAS OFFICE—811 Wilson Bldg., Tel. 2-4955. Fred B. Humphrey, Resident Manager.

DES MOINES OFFICE—2825 Grand Ave., Tel. 4-2495. R. J. Chapman, Resident Manager.

DETROIT OFFICE—1015 Transportation Bldg., Tel. Randolph 3994. A. J. Edwards, Resident Manager.

MINNEAPOLIS OFFICE—500 Northwestern Bank Bldg., Tel. Geneva 1200. R. W. Landstrom, Resident Manager.

PHILADELPHIA OFFICE—1127-123 S. Broad Street, Telephone Pennypacker 3706. E. H. Fredrikson, Resident Manager.

SAN FRANCISCO OFFICE—507-8-9 Flatiron Bldg., Tel. EXbrook 3054. F. W. Bland, Res. Mgr.; Miss A. V. Bowyer, Pacific Coast Editor.

Subscription Price \$4.00 a year (Canada \$5.00). Single Copies, 20 cents. In Combination with Life Insurance Edition, \$5.50 a year (Canada \$7.50). Entered as Second-class Matter April 25, 1931, at Post Office at Chicago, Ill., Under Act, March 3, 1879.

August
ing e
prises
Ill. 7
boyho
suran
1885.
mana
movin
a me
Doug
dent
porat
Unit
For a
insu
Ch
30 y
New
ment
of his
H.
first
in w
Buffa
insur
with
ing.
bers
M.
Kans
Tope
Prev
with
handl
durin
E.
Tex.,
after
By H
Co.,
el
Aetna
Aetna
Agric
Amer
Amer
Amer
Amer
Astor
Balt.
Bank
Bosto
Cand
Carol
Conti
Conti
Fidel
Fire
Firem
Frank
Gen.
Georg
Glens
Glob
Gt. A
Hali
Hano
Hart
Hart
Home
Home
Ins. C
Mary
Mass.
Mer.
Nati
Nati.

ing engaged in various insurance enterprises, died at his home in Oak Park, Ill. Interment was at Des Moines, his boyhood home. He started in the insurance business in Des Moines in 1885. He became vice-president and manager of the old Des Moines Fire, moving to Chicago in 1907 to become a member of the insurance firm of Douglas Bros. & Rice. He was president of the Underwriters Service Corporation and manager of the Motor Car United Underwriters, reciprocal concern. For a number of years he had been an insurance broker.

Charles A. Perry, 77, for more than 30 years with the home office of the New Hampshire Fire, until his retirement four years ago, died at the home of his daughter in Monmouth.

H. P. Brainard, 64, who wrote the first automobile liability insurance policy in western New York in 1907, died in Buffalo. He had been in the general insurance business in Buffalo since 1898 with offices in the Ellicott Square building. He was one of the original members of the Automobile Club of Buffalo.

M. L. Dangerfield, chief rater of the Kansas department for 18 years, died in Topeka following a prolonged illness. Previously Mr. Dangerfield had been with the Kansas Inspection Bureau, handling coal mine conservation efforts during the first world war.

E. T. Ren, local agent in Midlothian, Tex., for 45 years, died at his home there after an illness of several months.

VIEWED FROM NEW YORK

By GEORGE A. WATSON

Takes New Post



JOHN M. FRANCIS

John M. Francis, who has served the New York "Journal of Commerce" for a number of years as assistant insurance editor, was given a farewell luncheon by members of its staff prior to his leaving to take up his new position in the publicity and public relations department of the National Board. Mr. Francis had been connected with the "Journal of Commerce" for nine years.

signed application. He wrote a review of the famous O'Gorman & Young case that attracted much attention in New Jersey over its agency commission law.

LIQUIDITY IS DESIRABLE

A number of companies appreciate the fact that it might be well, owing to uncertain times, to have a larger percentage of cash on hand and very liquid securities. No one can foretell about the future, how various investments will be affected, what will be the demands of business. Executives therefore feel that it is highly desirable to have extra cash or very liquid securities on hand to take advantage of any situation that may arise.

GRIGGS AT HEAD OFFICE

E. M. Griggs, associate general counsel of the National Board, with offices in Chicago, will be at the headquarters of the organization in New York City, during the vacation absence of General Counsel J. H. Doyle.

General Counsel J. H. Doyle and Mrs. Doyle are spending their vacation at Del Norte, Col. They took over the old home place of Mrs. Doyle's parents. At one time Mr. Doyle was ticket agent for the Rio Grande railroad at that point. They spend most of the summer there.

Concerned Over the Far East Shipments

(CONTINUED FROM PAGE 3)

marine underwriters have a direct interest in the outcome of the blockades that Great Britain and Germany are conducting. Success of German operations against England would make it much simpler for Japan to step in and take over the Dutch East Indies. American underwriters fear that such a move might include seizure of valuable shipments on the way to the United States.

So far the British convoy system seems to have proven effective against air attacks. Losses from submarines have been heavy but with the ships that have been built or taken over from other countries the British merchant marine is stronger than at the beginning of the war. The element of delay is all in favor of Great Britain.

By next month fogs will materially aid British shipping by hampering the enemy. In spite of exaggerated claims on the part of Germany and denials on the part of Great Britain, American underwriters are getting what they consider to be adequate rates, reflecting the actual hazard. At the same time underwriters are closely watching for any indication of a definite change in the hazard.

T. J. Hogan has been appointed metropolitan general agent in New York City for the Century of Scotland.

STOCKS

By H. W. Cornelius, Bacon, Whipple & Co., 135 So. La Salle St., Chicago, at close of business Aug. 5, 1940.

	Par	Div.	Bid	Asked
Aetna Cas.	10	5.00*	120	125
Aetna Fire	10	1.80*	48 1/4	50 1/4
Aetna Life	10	1.40*	28 1/2	30 1/4
Agricultural	25	3.25*	68	71
Amer. Alliance	10	1.20*	20 1/2	22 1/2
Amer. Equitable	5	1.00	18	20
Amer. Home	10	...	6	8
Amer. (N. J.)	2.50	...	12 1/2	13 1/2
Amer. Surety	25	2.50	47	49
Automobile	10	1.40*	34	36
Balt. Amer.	2.50	.40*	7	8
Bankers & Ship.	25	5.00	93	97
Boston	100	21.00	586	600
Camden Fire	5	1.00	19 1/2	20 1/2
Carolina	10	1.30	28	30
Contl. Cas.	5	1.20	34 1/2	35 1/2
Contl. N. Y.	2.50	2.00*	35 1/2	36 1/2
Fidelity-Phen.	2.50	2.00*	34 1/2	36
Fire Assn.	10	2.50*	62	64
Firemen's (N.J.)	5	.40	9	10
Franklin Fire	5	1.40*	27 1/2	29
Gen. Reinsur.	5	2.00	39	41
Georgia Home	10	1.20*	22	24
Glens Falls	5	1.60	41	43
Globe & Repub.	5	.50	9	10
Gt. Amer. Fire	5	1.20*	25	26
Gt. Amer. Ind.	1	.20	9	11
Halifax	10	1.00*	10	12
Hanover Fire	10	1.20	24 1/2	26
Hartford Fire	10	2.50*	75 1/2	77
Hartford S. Boil.	10	1.60	51 1/2	53 1/2
Home Fire Sec.	10	...	1 1/2	2
Home (N. Y.)	5	1.60*	29 1/2	31
Home Indem.	3	...	9 1/2	10
Ins. Co. of N. A.	10	2.50*	63	65
Maryland Cas.	1	...	1 1/2	2
Mass. Bonding	12.50	3.50	59	61
Mer. (N.Y.) Com.	5	1.70*	43	45
Natl. Cas.	10	1.00	25 1/2	27 1/2
Natl. Fire	10	2.00	54	56
Natl. Liberty	2	.40*	7	8

ROSENSWEIG WITH "ADVOCATE"

C. S. Rosensweig has become associated with the "Insurance Advocate" of New York as managing editor. He has been prominent in the Insurance Brokers Association of New York. At one time he was chairman of its committee on operating costs. He presented evidence and exhibits which showed the value of the broker's work to the New York state industrial survey commission. He was instrumental in defeating the Central Bureau plan to make producers responsible for unpaid earned premiums and to require an exacting

New Am. Cas.	2	.75	16 1/2	17 1/2
New Hampshire	10	1.80*	46	48
Northern (N.Y.)	12.50	5.00*	91	94
North River	2.50	1.00	23 1/2	25 1/2
N. W. Natl.	25	5.00	115	125
Ohio Cas.	5	1.15*	36	38
Phoenix, Conn.	10	3.00*	76 1/2	78
Preferred Accl.	5	.80	14	15
Prov. Wash.	10	1.40*	33 1/2	35 1/2
St. Paul F. & M.	62.50	8.00	227	233
Security, Conn.	10	1.40	30	32
Sprgfd. F. & M.	25	4.75*	109	112
Travelers	100	16.00	405	413
U. S. Fire	4	2.00	47	49
U. S. F. & G.	2	1.00	19 1/2	21

*Includes extra. **Canadian funds.



The
CHARTER OAK FIRE INSURANCE COMPANY
~ HARTFORD, CONNECTICUT. ~
ONE OF THE TRAVELERS COMPANIES

MARSH & McLENNAN

INCORPORATED

INSURANCE

Federal Reserve Bank Building • 164 West Jackson Blvd., Chicago

NEW YORK
BUFFALO
PITTSBURGH
CLEVELAND
COLUMBUS
DETROIT
INDIANAPOLIS
MILWAUKEE
MINNEAPOLIS
DULUTH
PHOENIX
SAN FRANCISCO
LOS ANGELES
PORTLAND
SEATTLE
VANCOUVER
MONTREAL
BOSTON
ST. LOUIS
LONDON

MOBILITY

In keeping with the modern trend **LOYALTY GROUP** maintains a highly mobile Field Service Unit, ready at a moment's notice to give expert assistance to Agents and Brokers in every community. Let **LOYALTY GROUP** help you with your production and underwriting problems!



FIREMEN'S INSURANCE COMPANY OF NEWARK, NEW JERSEY
 The Girard Fire & Marine Insurance Company
 National-Ben Franklin Fire Insurance Company
 Pittsburgh Underwriters • Keystone Underwriters
 Milwaukee Mechanics' Insurance Company

The Concordia Fire Insurance Co. of Milwaukee
 Royal Plate Glass & General Ins. Co. of Canada
 The Metropolitan Casualty Ins. Co. of N. Y.
 Commercial Casualty Insurance Company

Western Department
 844 Rush St.
 Chicago, Illinois

Southwestern Dept.
 912 Commerce St.
 Dallas, Texas

Pacific Department
 220 Bush St.
 San Francisco, Calif.

HOME OFFICE
 10 Park Place
 Newark, New Jersey

Foreign Department
 111 John St.
 New York, New York

Canadian Departments
 461 Bay St., Toronto, Ontario
 404 West Hastings St., Vancouver, B. C.

FIRE-MARINE-CASUALTY-SURETY

Loyalty Group
 INSURANCE

The NATIONAL UNDERWRITER

August 8, 1940

CASUALTY AND SURETY SECTION

Page Seventeen

Auto Compulsory Threat Becoming More Disturbing

Oregon Agents in Annual Meeting Hear Smith Sound Warning

NEW OFFICERS ELECTED

President—Mark A. Goldy, Medford.
Chairman Executive Committee—Harry Hollister of Jewett, Barton, Leavy & Kern, Portland.
National Councillor—George W. Haerle, Portland.

PORTLAND, ORE.—The serious character of the movement for compulsory automobile insurance was recognized by Sidney O. Smith, president National Association of Insurance Agents, who departed from his prepared manuscript in his address at the annual meeting here of the Oregon Insurance Agents Association to talk informally on a number of timely topics.

Regarding compulsory automobile insurance, he said the National association officers are gravely concerned that insurance interests may make the same mistake as was made when workmen's compensation insurance was undertaken years ago, in not recognizing the social demand for such coverage. He regards the fact that only 25 percent of car owners are now insured as supporting a feeling that there is sufficient social demand to justify consideration of compulsory insurance. He said the national councillors group at Buffalo plans to devote an entire session to the subject at the September meeting.

Has Teeth In It

He stated that the New Hampshire financial responsibility act has "teeth" in it and is expected to prove within a few days that over 70 percent of drivers are insured with private carriers under a voluntary assigned-risk rating plan with rate differentials on reckless driving, yielding a handsome underwriting experience.

In referring to the recently renewed contract with the Home Loan Corporation, he said he feels very keenly that it is the duty of every agent to check carefully what portion of the business being written under this arrangement is coming to his office, and to take special care to contact each property owner who has designated him as the agent on his business so written. He should then ascertain carefully whether the property is adequately insured, as the HOLC requires only sufficient insurance to protect the balance on the mortgage. In this way the right of the agent to receive his commissions both on HOLC business and other coverages can be emphasized to the consumer paying the bill.

He stated that, perhaps innocently, a wrong impression was being created that

(CONTINUED ON PAGE 24)

Equity Rating Parley Aug. 15

Ban on Judgment Plan in Illinois to Be Discussed with Palmer

NEW YORK—While some Illinois brokers have expressed doubt that Insurance Director Palmer's ban on equity rating for automobile and truck fleets would stand up in court, the National Bureau of Casualty & Surety Underwriters has not considered contesting the ruling.

The bureau has not yet reached a decision as to what, if any, changes it will ask for at the meeting which Mr. Palmer has called for Aug. 15. Bureau companies are particularly affected not only by the equity rating ban but also by Mr. Palmer's ruling that buses and certain other classifications are not eligible for the regular experience rating plan and that other plans must be devised if experience rating is to be permitted for these classes.

While presumably experience rating plans can be worked out to meet the Illinois department's requirements, there appears no way of devising an experience rating plan which will reflect the intangible judgment factor which equity rating brings in. For example, two fleets might have identical experience rating factors right down the line, yet the underwriting department knows that one of them will produce a measurably better loss experience than the other. Experience rating is a mathematical formula and for that reason cannot measure subtle but sometimes important distinctions.

Equity rating, which presents a many-sided problem, is being discussed on all hands in Chicago and Illinois. Some of the brokers are expressing considerable bitterness over the ruling and are seeking to get the bureau companies to resist the insurance department's order strenuously. There is even some talk of the brokers going to court in the matter. The bureau company people are disturbed by the ruling, but they do appreciate that the department has a good deal of logic on its side.

Unless the millenium should arrive and there could be brought about a uniform rate level in the state, the bureau companies feel that they would be hamstrung if they should be forced to use an ironclad experience rating plan with fixed elements in the formula from which there could be no deviation. The bureau companies fear that they could hold practically none of their fleet business if the independent companies should be permitted to use a formula that deviated from the bureau standards. Practically all of the fleet business is subject to competition and the fleet operator is a pretty shrewd buyer. It is said that practically all of the automobile fleet business in Illinois that is desirable and written by bureau companies is equity rated. It is largely the undesirable risks that have difficulty in getting insurance at all that are not equity rated.

There is some talk on the companies' side of filing an experience rating plan that embraces a graduated scale of commissions. The big question is how such

Three Year Term on P. L. Risks Allowed

National Casualty Bureau Action Applies to O. L. & T. and Elevator Forms

Public liability risks subject to experience rating under owners, landlords and tenants and elevator forms, heretofore limited to one-year terms, may now be insured for periods of three years, with the customary discounts that are allowed for such longer term coverage.

The National Bureau of Casualty & Surety Underwriters announced it had filed the new plan with the insurance departments of the states affected and advised member companies that effective Aug. 1 the rules have been amended to provide for writing three-year policies on these forms.

Extended to Larger Risks

Non-experience rated public liability risks, which are the smaller risks, have been given the option of three-year policies for some time, with a resultant saving in premium cost through the allowed discount. This benefit is now extended to the larger risks, or those subject to experience rating.

There will be no change in the customary examination of the experience of each individual risk on an annual basis and such adjustment of the premium as may be indicated on each anniversary rating date. The calculation of such experience modifications and the promulgation procedure by the National Bureau will be handled on the same basis as in the past.

Premium discounts for experience rated risks using the three-year policies are the same as those specified in the O. L. & T. and elevator liability manuals for non-experience rated risks. Discounts are to be applied to the experience adjusted rates. The full manual rates will continue to be used for experience rating purposes.

How Plan Is Applicable

The new plan is applicable both to new and renewal policies becoming effective on or after Aug. 1. Provision is made for policies which become effective between June 1 and Aug. 1 to be extended an additional two-year period, with the three-year policy discount applied as of the date the policy was written. Policies which became effective prior to June 1 also may be extended for an additional two years, the discount being computed on a pro-rata basis as of Aug. 1.

A plan might be received by the production forces. The organized producers have fought the introduction of this principle at practically every turn. About the only such program that has received their blessing is the one that was offered in New York recently in connection with large compensation risks. Of course, in most risks that are equity rated, the producer does forgive part of his commission, but that is a matter of individual bargaining between the agent and the company.

(CONTINUED ON PAGE 26)

Progress Is Made in Countersignature Law Problem

Ray Murphy Tells Agents in West Situation Via Long Distance Phone

Ray Murphy, assistant general manager Association of Casualty & Surety Executives, addressed the annual convention of the Oregon Insurance Agents Association this week and will speak similarly to the Insurance Agents League of Washington and Idaho Insurance Agents Association. He had planned to address them in person, but unforeseen and unavoidable events intervened, requiring his presence in New York. Special transmitter service was arranged so that Mr. Murphy could speak from his office at 60 John street, New York, through a public address loud speaker system at the three conventions.

The address to the Insurance Agents League of Washington, meeting in Seattle, will be the afternoon of Thursday, Aug. 8, beginning at 2:10 p. m., eastern daylight saving time, and plans call for the Idaho talk to be held Monday, Aug. 12. The agents will be meeting at Hayden Lake, Ida.

Two Issues of Importance

In his talk to the Oregon Insurance Agents Association, Mr. Murphy reported progress was being made between companies, agents and other producers toward solution of the vexatious problem of countersignature laws. There have been conferences, he said, between agents, producers and the Executives Association on this subject. He directed attention to the question of compulsory automobile insurance legislation, which promises to be a live issue when state legislatures resume their sessions this winter. With the Massachusetts law as the lone example, he said, there is ample evidence that this is a question of deep interest to agents, producers, companies and the public at large.

"It has been said repeatedly," Mr. Murphy went on, "that the capital stock insurance agent is not so much the representative of the companies for which he writes, as he is the representative of the policyholder whose business he places. He is, in fact and in law, an independent contractor. Nonetheless, his interests are so closely allied with the company interests, that the closest possible cooperation between company and agent is essential if the common interest is to be best served. It would seem that this fact would need no repetition, yet it cannot be too often repeated, nor too firmly kept in mind. Happily, I can report increasing evidence of that close cooperation between companies and agents which best serves both companies and agents."

(CONTINUED ON PAGE 26)

TRIO AT PACIFIC COAST AGENTS' MEETINGS



SIDNEY O. SMITH, Gainesville, Ga.
President National Agents' Association



L. E. FALLS, Newark
Vice-president American



C. C. HANNAH, San Francisco
Vice-president Fireman's Fund

Three noted men in different lines of endeavor and from distant points, Sidney O. Smith of Gainesville, Ga., L. E. Falls of Newark, and C. C. Hannah of San Francisco, were prominent in the conventions that were held this week by the Oregon Insurance Agents Association at Portland Monday and Tues-

day, and the Washington Insurance League at Seattle Thursday and Friday. Mr. Smith will journey on to the annual meeting of the Idaho association Aug. 12-13 and from there go to Lewistown, Mont., to address the Montana local agents at their agency meeting. Ray Murphy, assistant general man-

ager of the Association of Casualty & Surety Executives, who was on the program to address the Oregon and Washington agents' meetings, found it necessary to cancel his far western trip but addressed the meetings by long distance telephone from his office in New York City.

COMPENSATION

Group Compensation Policy Ruled Out in California

SAN FRANCISCO—Groups of employers, as such, having different employees cannot be covered under a single group workmen's compensation policy in California, according to an opinion rendered by Deputy Attorney General Neil Cunningham, on request from Commissioner Caminetti. The commissioner cited a rule in the compensation manual to the effect that two or more employers jointly engaged in operations involving a common payroll and who are subject to state compensation, may obtain a compensation policy without additional charge because of the additional interest involved, in such case, but not otherwise, there being but one obligation for compensation. He asked whether he could properly rule on classification and prescribe the types of groups which could be covered by such single policies, and require separate policies in all other cases. The rule has been in the manual for a number of years, but has been liberally interpreted and never passed upon as to the scope of the commissioner's power by the attorney general or any California court.

The opinion is that the principle of the rule is within the commissioner's power, but that a policy issued under the rule is not properly a group policy but a policy to cover the liability of one or more employers to any one particular employee. The rule apparently is for the purpose of permitting issue of a single policy where one of a particular group of employees may at a given time be legally the employee of any one or several employers. "It should not," the opinion stated, "be interpreted as authorizing the issuance of group workmen's compensation insurance policies. Such practices result in discrimination and are, therefore, contrary to the minimum rating law."

A brief was submitted by the California Association of Insurance Agents which held that the so-called group policies are issued only by participating workmen's compensation insurance carriers, which pay dividends on a sliding scale basis or plan which is distin-

guished from the flat dividend plan. A memorandum submitted by the National Bureau of Casualty & Surety Underwriters pointed out that the statutes do not specifically provide only one interest may be insured under a policy, yet it is the almost universal practice to forbid such a practice because no adequate method of administering the act is possible under contracts covering diverse interests.

Life Men Told of Need for Ark. Compensation Law

LITTLE ROCK, ARK.—An adequate workmen's compensation law is imperative if Arkansas is to progress economically and develop its natural resources through industrial growth, Lawrence A. Gouldman, Little Rock lawyer and former president National Association Independent Insurance Adjusters, told members of the Little Rock Life Underwriters Association. Voters will not be deciding a political issue but settling demands for a social and economic change when voting on the question in November, he said.

There are two proposals, one for insurance by private companies and one for state fund.

Fight California Monopoly Move

SAN FRANCISCO—At the final session of the conference of mutual fire and casualty company managers and producers, resolutions were adopted to join with the stock casualty companies to combat any further efforts to create a state monopolistic workmen's compensation insurance fund in California along the lines advocated by Governor Olson, who plans to promote the idea in the next legislature.

Ga. Drops Liability Policies

ATLANTA—Liability policies covered by the state of Georgia have been ordered cancelled or dropped at expiration by the state auditor, as a result of a ruling by Attorney-general Arnold that it is illegal for state departments to carry liability insurance on automobiles and trucks. Premiums paid by the several departments will amount to \$50,000, it was estimated by the auditor.

To Enforce Fictitious Fleet Ban in Nebraska

The Nebraska department has given official notice that it intends to take the necessary steps to enforce the order that was issued in 1935 prohibiting the writing of fictitious automobile fleets. The department issued the new order after holding a conference with representative agents and company men. The conferees decided that there should be no change in the original order and that it should be enforced.

MAY TEST YETKA'S ORDER

ST. PAUL—Court action to test the legality of Commissioner Yetka's order against "fictitious fleet" writing was forecast as the deadline for compliance was

Claim Conference of the Continental

The annual claim conference of the Continental Casualty will be held at the Stevens Hotel, Chicago, Aug. 15-16. The company a number of years ago initiated these annual conferences, bringing together the home office claim staff and the field. There are invited in addition to the home office officials and claim staff people, claim managers at branch offices, independent claim adjusters and attorneys used in claim work. There will be about 125 present from the field and 75 from the home office.

W. G. Caples, general attorney, will preside at the meeting and will give a talk at the first session. Other speakers at the first session will be President M. P. Cornelius, Vice-president Roy Tuchbreiter, and Vice-president George Hoffmeister. Harry Hart, head of the claim department, looks after all the details and arranges the program. This will be the 16th annual conference. On the program from the field will be both claim managers and attorneys.

In addition to the information acquired at these meetings the management believes that much is accomplished in claim men, office staff and attorneys getting together, becoming better acquainted and, therefore, in a position to work more intelligently. The Continental Casualty believes also that claim people should be production-minded and have an eye towards building business as well as settling claims.

reached Aug. 1. Some companies have made it known that they will contest the order, which was issued three weeks ago on the strength of an opinion of the attorney-general's office that the practice is illegal.

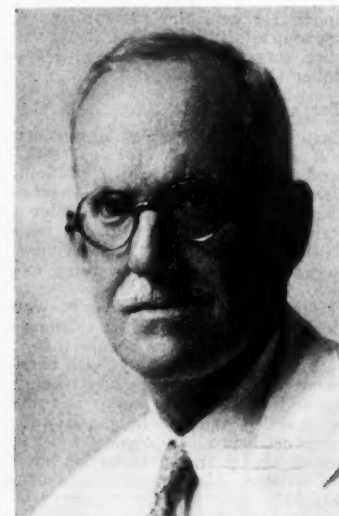
Correction in State Directory

A mistake appears in the St. Paul-Mercury Indemnity listing on page 297 of the 1940 Underwriters Hand-Book of Iowa, published by THE NATIONAL UNDERWRITER. L. A. Ramsey, who is listed as state agent, is state agent for the Mid-America Casualty and the other people listed are solicitors for the Witmer Rumsey Agency, who are general agents of the St. Paul-Mercury Indemnity. The St. Paul group maintains an office in Des Moines in charge of H. P. Martin, manager.

Advanced by Hartford A. & I.



NEIL J. BROWN



C. W. COLLIER

Neil J. Brown and C. W. Collier have been made superintendents of two important departments at the home office of Hartford Accident. Mr. Brown, who has been with the company since 1919,

becomes superintendent of the personal accident department and Mr. Collier, who has been with Hartford Accident since 1916, becomes head of the compensation and liability department.

Sidney Smith Urges Searching Analysis

Wants Insurance to See Its Weaknesses and Strengthen Itself

President Sidney O. Smith of the National Association of Insurance Agents in his talk to the state associations on the Pacific Coast spoke on the subject, "Profit with Honor." He declared that the heart of America is not to be found in metropolitan areas. The tremendous influence of urban environment brings a different perspective and produces a trend in mass thinking peculiar to a crowd, he said. Mr. Smith finds that out in the smaller communities and their surrounding areas, at the cross-roads, lies typical America. Here life is less regulated and less regimented and from this majority group eventually flow the decisions that shape national thinking and conduct. He said that it is to be expected that when a whole nation is committed to the business of national defense people will be bound to analyze as never before the economic, political and social habits with the purpose of retaining that which is good and rejecting the bad.

Will Call for Great Sacrifice

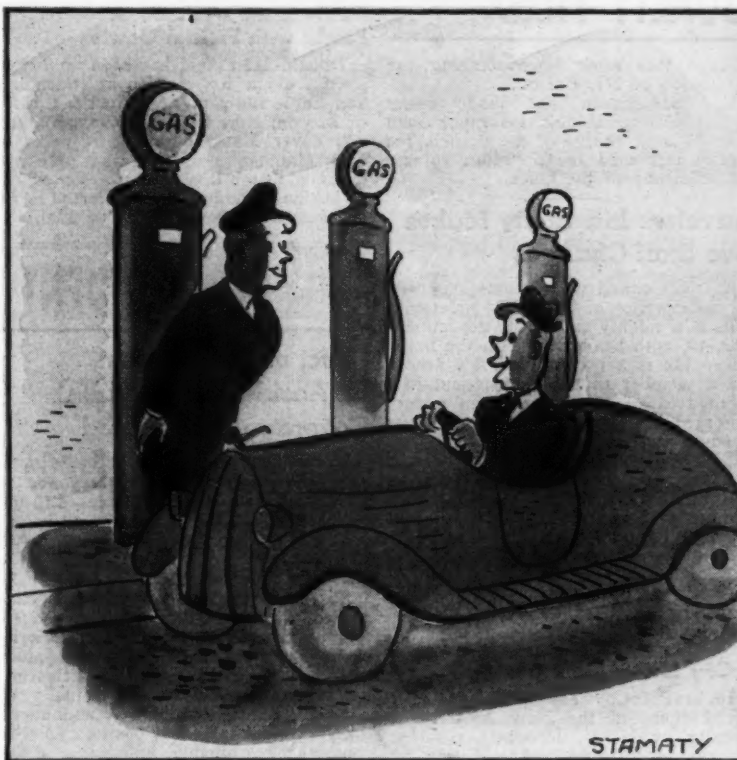
President Smith said that with the present legal limit of national debt practically absorbed, it is self-evident that only a continuously prosperous people can finance upon any sound basis the huge costs of armed defense. He said that despite the well worn arguments of distinguished economists and the protests of party spokesmen, it is a matter of record that prior to world war No. 1, a strong and level consumer demand unflinchingly maintained a general state of prosperity.

In recent years technological advances, consolidations, concentrated control, large scale methods of distribution and what people have been taught to worship as enterprise and efficiency, all combined have brought to the consumers of this country both goods and services superior in quality and generally lower in cost, he added. But unemployment and taxes steadily have mounted. Mr. Smith continued, "In this fateful hour when total defense can come only by heroic sacrifice, let us as Americans first and business men second, be brutally frank with ourselves concerning our past mistakes. We should be permitted fairly to discuss the phenomena of big business and still escape the charge of being a demagogue or labeled as a 'red.'"

Must Stand on Its Merit

No musty defense of the American agency system, Mr. Smith said, seems needed at this time. It remains still the chief source of premium income to the companies. Recent trends, in his opinion, indicate many companies have fallen under the spell of more production at the expense of their own agents. He continued: "This policy may yield more immediate volume, but we now raise the question of the wisdom involved if we look to the years ahead. The local agent is exposed to a sapping operation comparable to the operations of other big enterprises all too typical of the American way. In this critical hour when national existence is almost threatened, when our hope of tomorrow must be concerned with a state of general prosperity, it would seem appropriate that we examine mercilessly all our methods of operation. If he profits most who serves best, both companies and agents can well afford to follow this rule for their common welfare. When both prosper, the nation better prospers, and today America calls for our supreme efforts lest all be lost."

Set a new accident and health sales record on **Hoodoo Day**, Friday, Sept. 13. Write your company for details.



"May I check your insurance?"

Union Mutual Life Agents at Portland

Sixty-five agents and general agents of the accident insurance division of Union Mutual Life met at the home office of the company in Portland, Maine, on Monday and Tuesday of this week. President R. E. Irish outlined future plans and particularly explained that the accident producers were free to develop accident insurance as a first claim on their efforts.

Speakers at the sessions were C. H. Lenihan, Boston; F. E. Shreve, western field supervisor, Erie, Pa.; H. W. Farnham, director wholesale group department, Portland; Gwyn Hughes, eastern field supervisor, Boston; Fred Jordon, Maine manager, Portland; Glenn Stearns, superintendent of agencies life department; L. C. Baldwin, assistant superintendent life department agencies, and R. E. Richman, vice-president National Underwriter Company, Boston. Clifton McNeill, superintendent of agencies accident department presided at the business sessions. At the banquet the speakers were Maine Insurance Superintendent C. W. Lovejoy; Marshall Holcombe, manager of the Life Insurance Sales Research Bureau, Hartford, and President Irish. Vice-President Chester W. McNeill was toastmaster.

Hays with New York Agency

George R. Hays, Jr., who resigned recently as New York metropolitan manager of Continental Casualty after serving a few months, has joined the McDaniel, Maeser & Co., agency in New York. He has had experience with Royal Indemnity and Maryland Casualty as well as Continental Casualty.

Many Fail to Renew Licenses

SAN FRANCISCO—Between 2,400 and 2,500 agents, solicitors and brokers in California failed to file their application for renewal before Aug. 1 and are thus disqualified for writing further fire and casualty business in the state until they file a new application and pass an examination. Of this number 1,429 are agents, 567 solicitors, 56 inter-insurance agents and 404 brokers. Companies have been notified to discontinue acceptance of business from the agents and solicitors' employers were notified.

"Automobile Policy Chart" for 1940 Issued by Best

The 1940 edition of Best's "Automobile Policy Chart" is off the press. In this publication is presented a detailed analysis of the 62 public liability and property damage provisions, exclusions and policy conditions of 203 policies issued by the leading automobile insurance companies in the United States. These companies write more than 96 percent of all automobile insurance. Each of these policies is compared with the new 1940 national standard policy.

A popular fallacy in the automobile insurance business is that almost every company writes the standard policy and there are very few changes from year to year. The 1940 edition disproves this. For instance, out of the 203 policies in the chart only 96 conform with the 1940 national standard; 107 differ in from two to 30 ways; nine policies, standard in 1939, differ entirely this year; 23 have become standard, and it took 1,349 changes to complete the new 1940 chart.

Use Bureau Rates in Washington

OLYMPIA, WASH.—The Indemnity of North America and Connecticut Indemnity have revised their Washington state filings to comply with bureau rates, with a few minor exceptions.

Prize Winners for 1940

The Insurance Institute of America has announced the following awards of \$20 each for the highest average in the examinations of each of the five branches of insurance:

Casualty branch—C. R. Jones, Indemnity of North America offices in Philadelphia, average 99 percent. He studied under the Insurance Society of Philadelphia.

Fire—John F. Joyce, Jr., with Chubb & Son, New York City, average 98 percent.

Life—Mary C. Lannigan, Guardian Life, New York, average 81 percent in the Life I examinations.

Marine—R. J. Walsh, also of Chubb & Son, New York, 99 percent.

Surety—Alan E. Boles, General Reinsurance, New York, for average 96.5 percent.

The last four students all studied under the Insurance Society of New York.

Commission Scale in New Illinois Rejected Risk Plan

A surcharge especially for the purpose of paying commissions to producers is provided for in the plan announced by Insurance Director Palmer of Illinois for voluntary writing of rejected automobile public liability and property damage insurance in Illinois. The surcharge must be approved by the department before commission is paid on this business.

The commission scale set forth by Director Palmer is: long haul trucking risks, 5 percent of the surcharged premium to the producer and 2½ percent for countersignature to the licensed agent of the company to which the risk has been assigned; for all other lines, 10 percent and 2½ percent, respectively. The surcharge specified is 10 percent for long haul trucking risks and 15 percent for all others.

It is felt that the plan will eliminate most of the complaints which have risen from motor vehicle owners who have had difficulty in getting insurance in Illinois, especially on trucks.

Dorsett Attacks Monopoly Plan

FAYETTEVILLE, ARK.—Monopoly withdraws the incentive for goods supplied by fair competition and provides countless opportunities for abuse, J. Dewey Dorsett, manager casualty department Association of Casualty & Surety Executives, told the Arkansas Fire & Casualty Insurance School held at the University of Arkansas this week. He discussed the Arkansas workmen's compensation law passed by the legislature in 1939, signed by the governor, and now required to stand the test of a referendum at the polls next November. The people also will vote on a proposed monopolistic state compensation fund. The monopoly idea, Mr. Dorsett said, was tried in the early days of compensation history and no state that investigated it has adopted such a law since 1915, except North Dakota.

Travelers Field Men Promoted

Three field assistants of the Travelers have been promoted to assistant managers of branch offices. They are W. J. Prime, field assistant in Brooklyn, with headquarters at Bay Shore, L. I. G. H. LaBelle, field assistant at Grand Rapids, Mich., with headquarters at Kalamazoo, and F. N. Abbott, Portland, Me.

Oregon Chief



GEORGE W. HAERLE

George W. Haerle, well known local agent at Portland, Ore., presided this week over the annual meeting of the Oregon Insurance Agents Association. H. J. Vallentyne of Portland is the executive secretary.

CHANGES IN CASUALTY FIELD

Stephenson Resigns; Barton Is Manager

Thomas E. Barton, Jr., manager of the Milwaukee branch office of New Amsterdam Casualty, was appointed branch manager this week of the United States Casualty in Chicago, succeeding E. L. Stephenson, resident vice-president, who resigned. Mr. Stephenson shortly will announce his future plans.

Fred E. Pass, assistant at Milwaukee for New Amsterdam, was elevated to manager there. He has been connected with the company for a number of years.

Mr. Barton has been associated with New Amsterdam for 20 years, being stationed for nine years in the home office. Then he was transferred to Philadelphia as field assistant and after a year went to Cleveland, where he became assistant manager for Ohio. He occupied this position for about nine years before going to Milwaukee as manager about two years ago.

Mr. Barton has been active in the Surety Association of Milwaukee, being vice-president, and also was a director of the Accident & Health Association of Milwaukee. He is resigning these posts in the move to Chicago.

Donald K. Sando, superintendent casualty department United States Casualty at Chicago, continues in that post, associated with Mr. Barton.

J. J. Meador, vice-president, was in

Chicago this week superintending the installation of Mr. Barton.

Mr. Stephenson has made many friends among Illinois insurance men since he took charge of the branch. He greatly increased the premium volume and efficiency of the office.



T. E. Barton, Jr.

Travelers Indemnity Makes Two Staff Changes

J. J. O'Connell will become supervising underwriter of Travelers Indemnity in its new fidelity and surety department Aug. 12, with headquarters in the home office. He is a graduate of law school and a member of the Connecticut bar. From 1923 to 1925 he was an underwriter of Hartford Accident in charge of court and probate bonds.

J. H. Dorsey will become field assistant of fidelity and surety lines in the Cleveland branch office Aug. 15. He is an alumnus of University of Maryland law school and from 1929 to 1935 was attorney in the bonding claim division of Maryland Casualty in the Baltimore office. Then he became surety underwriter in charge of the surety department in Cleveland.

McCoy Illinois Special Agent

Hughes McCoy has been appointed special agent of the New Amsterdam Casualty by H. N. Douglass, resident manager in Chicago. Mr. McCoy at first will spend several weeks in the Chicago branch to familiarize himself with details and then probably will be assigned to cover central Illinois. He studied in the University of Nebraska and then for some years, starting in 1928, was in charge of the insurance department of Byron Reed Company, Omaha. He went with National Surety in 1936, first at Omaha as special agent, going to the Denver branch office in

1939 as assistant manager with field duties.

Fifield with Field & Cowles

Donald M. Fifield has been appointed special agent for the Royal Indemnity and Eagle Indemnity by Field & Cowles of Boston, New England managers, and will cover Massachusetts and parts of New Hampshire and Vermont. He was educated at the Boston University school of business administration, started in insurance with the Employers Liability,

took its training course and has been special agent in Massachusetts.

R. L. Munson Is New Manager

Robert L. Munson has been made manager at Springfield, Mass., by Liberty Mutual, succeeding J. A. Splaine, who has retired under the company's retirement plan. Mr. Splaine was given a testimonial dinner at which S. B. Black, president Liberty Mutual, presided. He had been with Liberty Mutual since 1926.

ACCIDENT AND HEALTH

Effect of Mobilization an Accident and Health Coverage Considered

There has been considerable discussion and exchange of correspondence among company officials in regard to the possible effect on accident and health policies of the proposed mobilization of the national guard and the draft legislation now before Congress.

So far as the national guard is concerned, there probably would be no effect at all. Well informed underwriters take the position that the companies will be liable under existing policies unless the United States is actually at war. Enough companies have announced that they will take that position so that competition probably will force those that might be inclined to make an issue of the matter to fall into line. However, if 1,000,000 or more men should actually be placed under arms under the draft plan, that would change the situation and might result in some action by the companies.

As a matter of fact, it is very doubtful whether mobilization would materially increase the hazard so far as most of the present policyholders are con-

cerned. Certainly there could be no malingering while in an army camp. The only unfavorable feature is the difficulty in obtaining adequate information in regard to claims under those circumstances.

One point that must be considered is that, particularly with young men between 20 and 30, who have very little money laid aside, the army pay of \$21 a month would not allow sufficient margin to provide for payment of accident and health premiums and there undoubtedly would be a considerable number of lapsations in this age group. It is difficult to determine just how many there would be, but some company men contend that it would not be an especially serious factor in relation to the total number of policyholders.

A. & H. Sales Up 10.6 Percent for Conference Companies

Accident and health business is continuing to show a substantial increase. From data submitted by 52 members of the Health & Accident Underwriters Conference representing over 90 percent of the premium income of all conference companies, an increase of 10.6 percent in premiums for the first six



GENERAL REINSURANCE CORPORATION

Casualty - Fidelity - Surety

90 JOHN STREET, NEW YORK • 200 BUSH STREET, SAN FRANCISCO

months of this year is shown as compared to the same period in 1939. Loss ratios increased 1½ percent.

Apodaca Grants Extension

Commissioner Apodaca of New Mexico, who recently issued an order that after July 25 no accident and health policies should be issued in that state including standard provision No. 1, which provides for prorating of indemnity in case of change of occupation, has granted a 60-day extension, so that companies can continue to use forms already approved in that state, until Sept. 25. No new forms containing this provision will be approved, however, during that period.

A hearing will be held some time before the expiration of the 60-day limit, at which the companies may present their side of the case. It is hoped that the hearing may be arranged just prior to or just after the meeting of the International Claim Association in Colorado Springs, Sept. 9-11, so that company men who are attending the claim meeting also can attend the New Mexico hearing on the same trip.

New Accident Book

Prentice-Hall, 70 Fifth avenue, New York, is publishing a new book, "Selling Accident & Health Insurance," by Jerome S. Miller, the cost being \$2.50. A. E. Redding of the Aetna Casualty in writing the foreword said that a book such as this meets a very real need. Not only does it provide up-to-date information on the development of modern insurance practice, with particular emphasis on the new methods used to minimize losses resulting from bodily injuries and illness. It also gives access to the more successful methods by which the story of the value of disability protection may be brought sharply to the minds of the public.

Mr. Miller states that the book is addressed to the man already in the insurance business. It seeks simply to point out how the field of accident and health insurance fits into the whole realm of insurance and how people in the insurance business can increase their own incomes by performing the very personal service of providing protection against financial loss through disability. The book is sold by THE NATIONAL UNDERWRITER.

Smith Bar Association Speaker

John P. Smith of New York City will speak on "Traumatic Neurosis as a Disability Under an Accident Policy" at the health and accident round table session of insurance section of the American Bar Association when it meets in Philadelphia the week of Sept. 9. Mark Archer of Indianapolis was originally assigned this subject, but found it impossible to fulfill the engagement. V. J. Skutt, Mutual Benefit Health & Accident, is chairman of the accident and health section.

Illinois Bankers Club Officers

The new officers of the Leaders Club of Illinois Bankers Life, who will be installed at the agency convention in Chicago Aug. 19-21, have been announced. Denver C. Fields of Illinois is president. Vice-presidents are: W. B. Bauman, Virginia, life department; H. D. Ownby, Illinois, commercial accident and health, and G. A. Weaver, Indiana, intermediate accident and health.

Old Line Life Gains 26 Percent

The Old Line Life reports a 26 percent gain in accident and health premiums for the first six months of 1940.

Name 1941 Convention Committees

LOS ANGELES—Officers of the Accident & Health Managers Club have named the following chairmen of committees to plan for the 1941 convention here of the National Accident & Health Association:

General committee, Vice-president F. B. Alldredge, chairman; Secretary-treas-

urer Otto Kloppenburg, vice-chairman; housing, Walter E. Mast; transportation, Earl McGary; program, President Byron D. Williams, chairman, John Ford, vice-chairman; entertainment, Hugh Johnson; attendance, E. F. Hansen.

The committee chairmen are to select the members of their committees.

A. D. McFadden has been appointed district manager of the Fidelity Health & Accident of Benton Harbor at St. Johns, Mich.

W. L. Thomas, general agent accident and health department Massachusetts Bonding, Los Angeles, held open house

in his new and enlarged offices in the Pershing Square building. Mr. Thomas' agency ranked first among all the agencies of the company for July, the sixth time this year he has held this position, thereby setting a new company record.

The name of the Michigan Society for Group Hospitalization has been changed to **Michigan Hospital Service**. It has 240,000 subscribers and operates state-wide.

Puts Out Football Schedules

The Standard Accident has just sent out its annual football schedule, listing

more than 100 of the leading colleges and universities in America. The teams are grouped as follows: Western Conference, Pacific Coast and Rockies, southern, southeastern, southwest, mid-west, miscellaneous, Big Six, eastern, and post-graduates (professional).

Within 24 hours after the Asbury Park National Bank & Trust Company of Asbury Park, N. J., was robbed of \$108,000 in currency in a day-light hold-up, July 30, the U. S. F. & G., which covered the bank under a bankers blanket bond, delivered its check for the entire amount of the loss.

"I never bother with Eye Specialists I just buy a pair of good strong glasses"



And when the eye specialist buys insurance from the experienced agent or broker of a stock insurance company, he does not just say, "\$50 worth of insurance, please." He asks for and gets the advice and full services of an expert purchasing agent in the complex insurance field, like himself an expert middleman. No worries about uncovered risks that might wreck a business.

* * *

Because we believe so thoroughly in the services of an expert middleman; whether eye specialist, insurance agent or broker, we refuse to accept business direct because it is not in the interest of the Company or the assured to do so. When you buy National Surety Fidelity Bonds, Surety Bonds, Burglary or Forgery Insurance through your local insurance agent or broker, you deal with a customer and friend who is a fellow member and supporter of the American Business System.

● This is a reprint of an advertisement of National Surety Corporation which appeared in the OPTICAL JOURNAL. It was directed to the eye specialists in your city.

This advertisement has also appeared in a long list of banking and financial publications. It is an effective sales help to our agents and another proof of our belief in and support of the American Agency System as a part of the American Business System.

EYE SPECIALISTS know how many people used to buy eye glasses that way, often from the open stock in a general store. But modern education and sensible advertising have made people understand the importance and economy of professional advice plus precise manufacturing methods. Eyesight and general health depend on the middleman services of eye specialist and manufacturer—each indispensable in his special field.

NATIONAL SURETY CORPORATION

VINCENT CULLEN, President

NEWS OF THE CASUALTY COMPANIES

Ohio Casualty Shows Large Gains at Mid-year

Net premiums written by Ohio Casualty in the first six months of 1940 were \$4,002,713, an increase of \$807,423 over the corresponding period in 1939. Total earnings for this period were \$163,350 compared with \$215,031 for the same period last year. Investment income totaled \$70,329 compared with \$69,604 last year.

Surplus stood at \$1,300,000 as of June 30, an increase of \$100,000 over the surplus as of Dec. 31, after the payment of dividends to stockholders of \$66,000. The voluntary contingency reserve remains at \$800,000. Total reserves increased \$234,390 to \$7,468,139 and assets totaling \$9,368,139 represent an increase of \$334,390 over the year-end figure.

Fire Company's Showing

Net premiums of the Ohio Insurance Company for the first six months were \$174,165, an increase of \$160,339 over the same period last year. Statutory underwriting profit was \$45,417 and net investment earnings \$5,237.

Surplus of the fire company was \$225,631, an increase of \$30,881 over 1939 year-end statement, and after the payment of stockholders' dividends amounting to \$5,200. Total reserves were \$201,827, an increase of \$157,570 over Dec. 31. Assets are now \$627,459, increase \$188,453.

Employers Reinsurance Figures

The Employers Reinsurance of Kansas City for the first six months shows that in addition to the payment of \$120,000 in dividends, the special reserve increased nearly \$500,000. Income from investments is almost twice as great as the dividends paid. The income from investments totaled \$223,425, against \$205,412 a year ago. The special reserve as of June 30 was \$2,387,679, increase \$480,821; assets \$17,823,302, gain \$464,784. The bond holdings are \$12,229,153. The premiums earned for the six months were \$3,504,246, as compared with \$3,491,434 a year ago. Its cash account was \$2,379,220.

SURETY

Much Contract Business from Federal Projects

Surety offices find that their contract business is holding up remarkably well and they look for even brighter spots when the big defense program gets well under way. In cost plus or cost plus upset guarantee contracts no bonds are required by the federal government. However, with these eliminated there is a large amount of work being done and some of major proportions. There are projects all over the country and head and branch offices are called on repeatedly to assist in preparing a program and getting up bids for contractors. Before a bid is made some investigation and research work has to be done. Altogether the surety companies look for an increase in premiums this year.

Harold Gee Is Author of Guide to Bond Lines

Harold F. Gee, manager at Indianapolis for Commercial Casualty and Metropolitan Casualty, is author of a new volume, "Agents' Bonding Guide," which has just been published by the Rough Notes Company. It is designed to give the fire and casualty agents information they need in order to sell and submit bonds. Mr. Gee sets forth succinctly why each of the various types

Receiver Runs Assets Up from 70 Cents to \$11,410

WICHITA — Public hearings on claims against Industrial Mutual Liability of Wichita, in receivership since March, are being held the first two weeks of August before District Judge Williams, to determine validity and class of claims.

Receiver John I. Dotson stated that from a start of 70 cents cash assets he has succeeded in locating and collecting \$11,410 assets. Total claims, he estimates at about \$115,862.

Industrial Mutual had about 2,200 policyholders. There are possibilities of additional funds being recovered. It is expected that after the conclusion of the hearings the first partial dividend may be paid about Sept. 1. Attorney-general Parker is assisting the receiver in contested foreclosures of mortgages, in fidelity bond claims against a former officer of the company and in getting remittances from agents.

Chicago Lloyds' Claims

The Illinois insurance department liquidation bureau reports that 12,703 separate claims have been filed against the defunct Chicago Lloyds involving \$6,274,711. Of this, \$4,249,106 has been classed as contingent claims which cannot be adjudicated until after Feb. 9, 1941, creditors of this class being allowed by law that period to prove their claim. There have been five creditor reviews covering 5,857 claims amounting to \$462,154, of which \$130,240 has been allowed subject to action of the court.

Sell Assets of Defunct Carrier

NEWARK — Assets of the New Jersey Fidelity & Plate Glass were sold for \$161,997 at an auction conducted by H. W. Sinclair, special assistant deputy insurance commissioner. The company has been in the hands of the New Jersey department for several years.

The Farm Bureau Mutual Automobile of Columbus has purchased the Arcade building and the underlying land at 240 North High street, Columbus, adjoining the Farm Bureau Cooperative building.

of bonds is needed, by whom, the reason why certain bonds are desirable and others are hazardous.

Beneficial Casualty Is Active

LOS ANGELES — Beneficial Casualty, which was licensed May 14, has taken possession of its new home office building, 2505 Wilshire boulevard, formerly occupied by the Golden State Automobile Club, and now is writing accident and health and automobile. Paid-in capital is \$156,680 and surplus \$144,560. It has been organized by interests affiliated with the Globe Investment Co., an automobile finance company.

Edward D. Mitchell is president, Joy C. Earle and William Lippert, vice-presidents, and Oscar S. Pattiz, secretary.

Martin L. Topper, who formerly was in charge of the accident and health department of Postal Union Life, and precious to that time was associated with Occidental Life in its accident and health department, is superintendent of the accident and health department.

Mr. Mitchell is president of the Globe Investment Co.

Set a new accident and health sales record on **Hoodoo Day**, Friday, Sept. 13. Write your company for details.

WANTED

Progressive National Bureau Company seeks experienced field man, casualty, surety or both for its Wisconsin Department. Please give full particulars regarding salary, experience and references in your reply to Box L-99, The National Underwriter, 175 W. Jackson Blvd., Chicago, Ill.

Dependable Insurance Service

plus

Aggressive Selling Assistance

A multiple-line stock casualty company which offers financial strength—prompt claim service—up-to-the-minute sales and advertising aids—standard policies. It will pay you to investigate The Buckeye Union, an aggressive company for aggressive agents. Writing Automobile, Plate Glass, Burglary and Public Liability.

A Stock
Company

The
Buckeye Union
Casualty Co.
HOME OFFICE
Columbus, Ohio

Territory in
Ohio and
Indiana

Our Agents Say—

"Business Is Always Good"

—THE REASON—

PREFERRED AUTOMOBILE RATES
THAT WILL GET AND HOLD BUSINESS

UTILITIES INSURANCE COMPANY

A STOCK HOME OFFICE COMPANY

ST. LOUIS

MISSOURI

Direct contracts available for conservative and successful agents in Illinois, Indiana, Iowa, Missouri, Ohio, Nebraska, Colorado, Oklahoma, Tennessee and Texas

Washington Agents' Annual Muster

(CONTINUED FROM PAGE 5)

form of insurance against unjust attacks. Continuing, Mr. Hannah said: "The weapons and ammunition consist of honest arguments and facts, and there must be a willingness and ability to devote talent, effort, and time to the task of defense. Following the line of least resistance means, in every instance, retreat.

"Cooperation between the various divisions of insurance, between producer and company, rate-making authorities and loss adjustment bureaus is essential to the success of the business in maintaining its proper place. Misunderstanding should not be allowed to weaken efficiency and provoke controversy. The ranks of insurance must stand firm and united! There must be a willingness to sacrifice purely temporary advantage, to avoid expediency which will bring uncertain, immediate profit, but sure permanent loss.

"Insurance preparedness, in short, consists of loyalty to ideals; cooperation between all of its units; intelligent leadership; efficient and economical methods. These should be accompanied by the highest degree of policyholder and public welfare service, and devotion to the profit motive as opposed to socialized forms of insurance."

Presidential Address

H. T. Anthony of Spokane, in his presidential message, sketched some of the important developments during his administration. The league, he said, is especially interested in the investigation that is being made by a commission, appointed by the governor, of the monopolistic workmen's compensation state fund of Washington. The investigation was prompted by the sensational report on the subject made recently by the Thurston county grand jury.

Mr. Anthony said that a special committee of the agent's league is following the investigation and is searching the possibility that the compensation business may be opened to private companies at this time.

Mr. Anthony said that the Washington advisory committee is now in possession of a fire rate study which has been completed by J. K. Woolley, head of the Washington Surveying & Rating Bureau. He expressed the hope that the contact committee of the agents' association might soon be permitted to examine this study and have a discussion of it with the companies.

The agents' association, he said, endorsed the steps taken by Commissioner Sullivan to bring about rate uniformity in the automobile field and the association is disappointed that deviated filings have been made. He said that the suit that was instituted by Indemnity of North America to test the commissioner's right to establish a floor of rates was compromised and the question still remains an open one. Although he did not mention the Indemnity Company by name, it seemed evident that it was this company's action to which he alluded.

The committee headed by Ellery Newton, he declared, has effectively built close cooperation between banks financing automobiles and the insurance agents. The committee has prepared a folder for use of agents in calling the attention of car purchasers to the favorable terms offered by banks.

The automobile financial responsibility law is proving beneficial to the citizens, to agents and companies. Certain refinements must be made in the law, however, he declared.

Membership is now at the 300 mark. Mr. Anthony pleaded for improvement of public relations and said that this could only come about when there is close cooperation and understanding between companies and agents. The league has done much to bring about such a condition in Washington, he declared.

Rogers Is Elected Utah President

(CONTINUED FROM PAGE 3)

tion situation as the outstanding accomplishment of the year.

C. C. Gaskill, secretary-treasurer, reported a paid membership of 56.

F. A. Moreton, National association executive committeeman, introduced President Sidney O. Smith.

Local Officers Report

Local association officials reported all units were in good condition.

In his report of the Utah Committee, A. W. Hatch gave an account of the San Francisco conference last June with Pacific Board officers. "There is no question but that these conferences do a great deal in bringing about better understanding of our problems. Pacific Board officials are most sympathetic of our problems and endeavor to help us to the best of their ability, provided they obtain a correct understanding," he stated.

D. A. Brown, national councillor, told of the conference of western councillors in Oakland, Cal.

J. H. Roberts, district secretary Pa-

cific Board, outlined the problems confronting his office. In 26 Utah towns rates had been reduced 15 percent, while institutions like hospitals had been given a 25 percent reduction. Taken as a whole conditions throughout the state are most satisfactory, showing a marked improvement all along the line from a year ago, he said.

H. W. Semmelmeier, Pacific Board manager public relations, spoke.

Following adjournment delegates and their ladies were entertained at the home of Fred A. Moreton and his wife. In the evening a banquet was held at the Hotel Utah followed by dancing.

L. E. Falls Gives Candid Statement

(CONTINUED FROM PAGE 3)

branded the nine old men, and stormed at, figuratively, by shot and shell for proposing a reduction in commissions, even when it was demonstrated that the reduction was in the abstract, and not a reduction in dollars of commission to insurance agents. I believe the most staunch believers in the justice and practicability of that plan, understood that it could not be used in every state. They

knew that there were some hurdles to be taken before a separate classification for finance business would be approved by supervising officials.

"By this time, there were at least 16 specialty insurance companies organized and operated by automobile finance companies, and their sustenance was the commission on the insurance premiums for cars which their parent companies were financing. N.A.U.A. membership was growing restless, seeing accounts taken away from them and their agents daily. One company, of which I have close knowledge, counting the number of such accounts it had lost to competitors issuing policies at 25 percent less than manual and paying never in excess of 7½ percent commission, completed its count of such by 9 o'clock one morning, but before it could use the information, another substantial account was lost to the same kind of competition at 8 minutes past 9. The agent of a capital stock insurance company, in that instance, was willing to accept in commission 5½ percent of the former manual premium, and it may be that that was the only basis on which the agent could retain any interest in that account for himself. It was situations like this which the members of the N.A.U.A. were trying to solve.

"When an insurance company allows a third or more of the premium as com-

Emmco

Insurance Companies

OPERATING ON THE AMERICAN AGENCY PLAN

A MODERN STOCK INSURANCE ORGANIZATION
OFFERING COMPLETE UP-TO-DATE FACILITIES
FOR WRITING AUTOMOBILE INSURANCE

COMBINED ASSETS IN EXCESS
OF SIX MILLION DOLLARS
AS OF JUNE 30, 1940

EMMCO CASUALTY INSURANCE CO., INC.
EMMCO INSURANCE CO., INC.
HOME OFFICES: SOUTH BEND, INDIANA

E. M. MORRIS
PRESIDENT
KARL BRECHT
SECRETARY



THOS. F. SHORTALL
AGENCY SUPERINTENDENT
C. L. SCRANTON
HEAVY UNDERWRITING DEPT.

mission on an automobile insurance account, the carrying company loses money, or the rates are too high. And it is upon this certainty that the association is now proceeding for the solution of our difficulties in this field. One conclusion looms unmistakably—most of the ills from which insurance agents and their principals, capital stock insurance companies, have suffered in the handling of automobile insurance, particularly for finance accounts, is a rate of commission high enough to tempt agents to share their commission with someone not in the insurance business, and not entitled to share in the commission."

The N.A.U.A., he said, has not approved plans for a separate classification for finance business, has no intention of doing so. It desires a plan which will not reduce commission rates to bona fide agents, and at this time the directors still hope that they can find a way for agents to handle automobile finance accounts at rates of premium and policy conditions which will get the business in competition, and at rates of commissions to agents which will compensate them for services rendered. Any such plan, to be acceptable and enduring must contain a balance between premium income and outgo for losses and expenses, including commissions, which will leave the carrying company at least the hope of a profit.

Mr. Falls also commented on the "fact-finder" developed by the insurance committee of the National Association of Credit Men, for use by credit men in determining insurance carried on intended risks.

"The insurance business, and particularly its selling forces," Mr. Falls said, "should feel a little humility for the fact that it has not, in the past, met its responsibility at least to display to the credit men of this country, how much help insurance can render in the extension and management of credit. In this humble attitude, we should now proceed to render to the credit men, every possible assistance to furnish them with information which we have to aid them in passing upon credits, and we should do this without expectation of immediate return. The agent should not hesitate to call upon his companies for assistance in the adaptation of insurance coverages to the better protection of any discovered hazard in the credit of any applicant's business operation which may seriously affect his ability to meet his credit obligations. Here is the finest opportunity to weave the sincerity, the service, and the strength of the insurance business, into the fabric of the business and social life of America, which has come to us in the insurance business, in a life-time."

Auto Compulsory More Disturbing

(CONTINUED FROM PAGE 17)

a vast amount of business had been canceled by the HOLC, but that statistically this was not at all a fact. He also said the feeling has been created that the present contract is unlawful and will have to be canceled, but that this also is not a fact. W. H. Bennett, general counsel for the National Association, assisted in drawing the contract and provision was made therein that if in any respect its clauses were in violation of the insurance laws of any of the states, then such clauses should, by the terms of the contract itself, be abrogated, as to such states.

On the subject of inland marine insurance, he said a committee was recently appointed to meet with the conference committee of the Inland Marine Underwriters Association to seek to avoid the pitfalls into which other branches of the business had fallen, notably the automobile finance situation. He said inland marine business may be destined for third or even second place in premium income and that a course should be charted which would not do violence to other branches of insurance and which will preserve the confidence of the buying public in the integrity of the rate structure maintained by insurance of all kinds.

Throat-Cutting Deplored

Instances of throat-cutting by disregarding countersignature laws on interstate business were deplored and the statement made that a general house-keeping in the shape of a model licensing law should be undertaken. This also is on the calendar for the Buffalo meeting, according to Mr. Smith.

He enumerated some of the objections to the announced intention of the National association to engage in insurance educational work. There are a few companies that insist on training their own agents and employees in their own way and object to a program that allegedly will also equip their competitors to step in and take their business. Mr. Smith said agents and companies guilty of such fears deserve the loss of their business. Another objection is that the free and loose use of the term "education" often leads to the conclusion that possession of a diploma constitutes education. He suggested that there should be two paths down which to pursue the problem of education. One would contemplate a short course to provide immediate utilitarian values for immediate benefits and would constitute insurance training, not education. The other would be a long plan, looking to the training of those

who will, in the future carry on the business in such fashion that in generations to come, insurance may take a place beside the professions.

Age of Surveys Is Here

In closing, Mr. Smith related personal instances which in his experience convinced him that the age of risk surveys has arrived and that a successful agent would first survey himself.

At the opening session, following the call to order by President George W. Haerle, welcomes were given by D. B. Simpson, vice-president Portland chamber of commerce, T. B. Thompson, North British & Mercantile, president Oregon division Special Agents Association of the Pacific Northwest. Mr. Thompson called attention to the greater present-day need for close cooperation and unity of interest between agents and company representatives. A telegram of greeting was received from C. A. Craft, Pacific Coast manager Phoenix of London, and president of the Pacific Board, who was unable to attend. The session was well attended, with registrations well over 200.

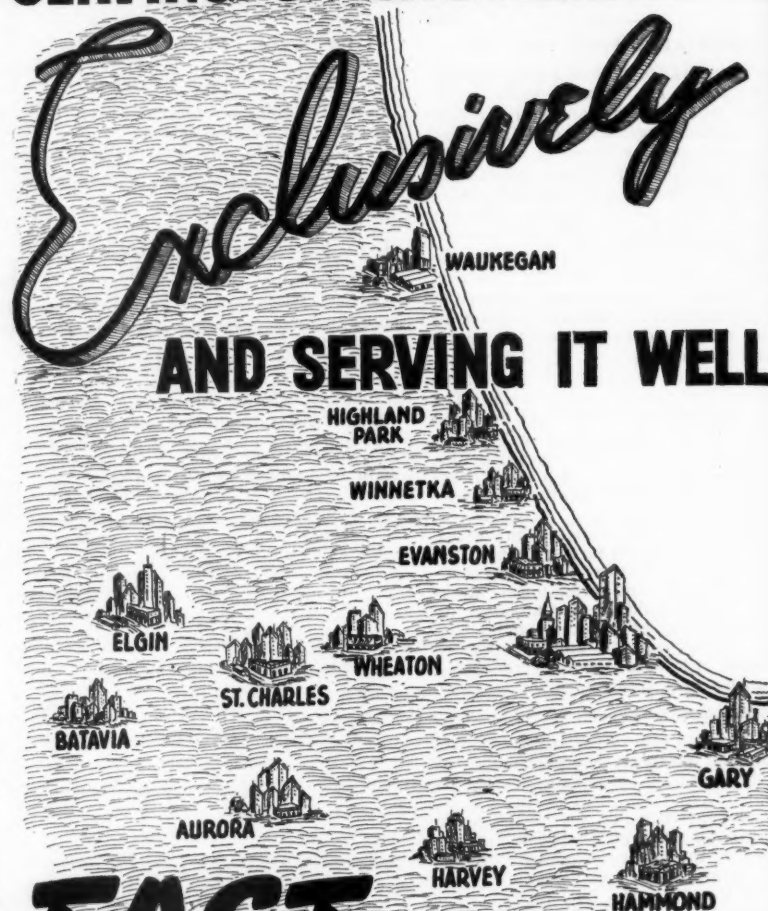
The long distance telephone talk by Ray Murphy, assistant general manager Association Casualty & Surety Executives, from his office in New York was given on schedule and was clearly audible through the public address system used to amplify it.

No Magic Formula

M. W. Mays, acting director Business Development Office, New York, who spoke on "Building Competition," said many agents looked to the B. D. O. for some sort of magic panacea that with a single touch, or with a message cut to fit a postal card, would retrieve their former accounts or new ones from the clutches of the monster "non-stock carriers" but he denied any such possibility, reminding the agents that the business is "there" for those with the energy and ambition to go out after it with something better than the non-stock carriers have to offer.

He announced that a new store of ammunition will be available soon after Aug. 15 with the publication of the new book, "Revised Facts and Comments," by the BDO. This book contains improved usable general sales ideas and has several sections dealing with capital stock insurance and its advantages over non-stock carriers. It will not be broadcast generally to all stock-company agents as in the past, but will be announced in a letter to agents and will

SERVING CHICAGOLAND



FAST DEPENDABLE PLATE GLASS REPLACEMENT SERVICE

Concentrating on one job, in a limited area and doing it well has made the American Glass Company the recognized leader in the Chicago plate glass replacement field.

You can promise your clients fast and dependable plate glass replacement service. American Glass Company has the experience, training and facilities to carry through for YOU, as well as your clients.

For reliable and speedy plate glass replacement,

Phone MOHAWK 1100

American Glass Company
1030-42 NORTH BRANCH STREET • CHICAGO

be sent only to those agents requesting it. He suggested that requests be written immediately.

Company men present from San Francisco included A. M. Brown, Jr., and J. H. Todd, Edward Brown & Sons; R. L. Countryman, Norwich Union; Paul McKown, St. Paul; B. A. Sifford, Security of New Haven; C. D. Lasher, Home; M. B. Evans, Royal-Liverpool; W. P. Fotheringham, Aetna Fire; T. J. Craig, North America; Joy Lichtenstein, Hartford; A. H. Talmage, American; J. C. Hitt, London Assurance; J. L. Culpepper, Jr., Fidelity & Casualty; A. V. Holman, America Fore; William Selbach, Selbach & Deans; Rollo E. Fay, National Bureau of Casualty & Surety Underwriters, and A. A. Milhaupt, Firemen's group. Robert Schwegler of the New York office of the Home also was in attendance.

The proposed educational program was reviewed and the resolutions committee recommended the future program be built around the Oregon agents qualification law if and when enacted. The automobile finance problem was discussed and action was referred to the National association. Legislation was discussed and designing of a compulsory automobile insurance bill proposed was held in abeyance against threat of interests adverse to insurance proposing one at any future time. The banquet session was a huge success with a record attendance, the entire convention was conceded the greatest yet held in Oregon. National Association President Sidney Smith accorded great praise and honor to ex-President Haerle for the outstanding administration just closed.

HAERLE REPORTS

Highlights of the year were reviewed by President G. W. Haerle. Conferences with Pacific Board officials in San Francisco resulted in a number of improvements in the fire insurance regulations in Oregon. Association membership increased from 118 at the beginning of the year to the present all-time high of 195 members, the coextensive membership agreement with the Portland Insurance Exchange being an instrumental factor.

The association continues to handle the fire insurance on buildings controlled by the Oregon board of higher education and now that the board is a unit of the student training program of the Civil Aeronautics Authority, the insurance requirements in this connection will be handled by the association under a special arrangement with agents in certain parts of the state.

Automobile Finance Business

The statement of the association's position adopted last year on financed automobile which condemned the practice of excessive commissions being paid the producers of such business, was reviewed. Attention was called to the fact that five groups of companies which did not agree with the statement are still maintaining their stand. President Haerle stated that the intensive consideration now being given the subject by the National Automobile Underwriters Association gives promise that the problem will be solved on a national scale. Unless a solution appears at or before the Buffalo meeting of the National association in September, Mr. Haerle feels that Oregon agents should return the problem to their own territory and take such action as the association's leaders should recommend in order to bring these five errant companies into the fold.

President Haerle called attention to his proposals presented at the National association meeting in Wichita. He favored asking companies writing automobile not to pay finance companies more commission than they are willing to pay their duly licensed local agents, thereby assisting in eliminating the rebating evil incidental to the so-called dealers reserve system. He also suggested that the so-called "conference agreement" of 1926 relating to the appointment of banks and financial institutions as insur-

ance agents be interpreted as applying to automobile insurance.

Mr. Haerle called attention to the dealer's reserve rebate condition in Oregon. One banking institution having approximately 24 branches holds an automobile insurance agents' license through a wholly-owned subsidiary and is currently licensed as an agent by a San Francisco general agency, which is admittedly paying the bank a higher rate of commission on automobile business than it is paying to its own local agents. The higher rate of commission being paid the bank is being returned by the bank to the dealer who delivers his automobile contracts to the bank, Mr. Haerle held. The dealer, who is neither an agent nor the party paying the premium, is receiving a rebate, a commission as "dealer's reserve." He suggested that the agents should withdraw their support from this banking institution which is engaged in direct competition with them and also from the general agency.

The formation of a surplus line association in Oregon has greatly reduced the writings of non-admitted carriers in coverages obtainable in admitted markets. Another praiseworthy accomplishment was the completion of arrangements with the Lloyds of London for the discontinuance of all direct writings on logging business in Oregon and Washington.

Urges Check on War

Attention was called to the casualty and surety rate war which has been in progress in Oregon for several months. Mr. Haerle suggested that this problem be carefully studied for a means of correcting the situation.

In considering the threat of compulsory automobile liability insurance, Mr. Haerle said "if compulsory insurance is to become a fact in Oregon agents should be properly prepared to provide that such a law employs the insurance facilities now available rather than the setting up of another state-administered fund."

The outstanding issue of the past year was the Motors Insurance Corporation's entry into Oregon and the licensing of a large number of automobile dealers as agents. Mr. Haerle reviewed the developments.

H. P. North, Business Development Office, San Francisco, sounded a call to the stock company agents to modernize their product. He warned against a passive attitude towards the threat of consumers cooperatives and other non-stock competition. He cited examples in other fields where new ideas have been introduced to provide better service without increasing costs. He attributed the growth of consumer cooperatives to the

trend of the individual toward a desire to understand what and how much he is getting for his money.

Mr. North does not believe the consumers cooperative movement will really succeed unless it is given a direct subsidy from the federal government. Business should force the issue to compel consumers cooperatives to stand on their own efforts.

Mr. North stressed the probability of unusual burdens being placed upon the financial structure and management of fire companies in the future, owing to abnormal world conditions. He emphasized the importance of the accumulation of managerial experience and the great

backlog of security now held by the stock companies. He charged the agents to use every resource at their command to preserve and protect the capital stock fire insurance structure against the attacks of all destructive influences and to maintain the superior position it now occupies.

Commissioner Thompson in his talk referred to conditions in Europe and said every effort would be made to present truly and accurately the condition of foreign companies operating in Oregon. He warned against propaganda which is being circulated tending to discredit them and undermine their position of confidence in the minds of the public.



ENTIRELY NEW! HOTEL COMPREHENSIVE LIABILITY INSURANCE

A COMPREHENSIVE LIABILITY INSURANCE POLICY especially designed for HOTELS which covers all operations in connection with the assured's business including the KNOWN AND UNKNOWN HAZARDS.

The policy includes in its coverages False Arrest and Malicious Prosecution, Alleged Discrimination, and Automobile Hazards.

Premiums are computed on flat basic rates, plus a charge for actual room occupancy.

A. F. SHAW & CO., INC.

ALL BRANCHES OF INSURANCE

CHICAGO, 175 W. Jackson Blvd.
Phone, WABASH 1068

NEW YORK, 107 William St.
Phone, WHITEHALL 3-8240

Home Office
Near the Falls of Minnehaha
On the Mississippi River



ANCHOR CASUALTY COMPANY

SAINT PAUL
MINNESOTA

"ALL-IN-ONE" POLICY

BODILY INJURY PROPERTY DAMAGE
LOSS OF OR DAMAGE TO AUTOMOBILES

(Comprehensive coverage including collision and upset.)

Unlike the usual deductible forms of collision insurance, our deductible amount may be used up through payment by the insured of several smaller losses (reported to the company) or through payment of the deductible amount in connection with a single larger loss; thereafter the policy becomes a full coverage contract and all losses resulting from accidental collision or upset will be paid in full.

THE COST IS SURPRISINGLY LOW



Progress Is Made in Countersignature

(CONTINUED FROM PAGE 17)

"Progress has been made, out of which may and should develop a uniform practice throughout all the states fair to companies, producers and the public—for the public interest must be the first, and in a sense, the only consideration involved. Any such agreement or practice naturally would provide such compensation for countersignature service as is fair and reasonable—and no more than that. The mere act of countersignature without other service is not so onerous as to call for any great compensation. On the other hand special service is entitled to special compensation.

"I am not today at liberty to say just what has taken place in the conferences between companies and producers, for it is realized that your National association, and your many state associations and other producers associations, must reach a great degree of unanimity before final success can be claimed, but I can say with truth that most friendly, constructive, and informative conferences, held from time to time, have brought about an understanding of respective positions and have considerably clarified the situation, and give real promise of removing one of the serious obstacles to that close cooperation which I have today stressed as vital to the industry."

Trend to Compulsory Legislation

Mr. Murphy reported that compulsory automobile insurance has been placed before the New York legislature and will be considered by that body in 1941. He predicted several other states will consider such measures.

"Lately," he said, "such legislation has seemed to have the support of lawyers' groups in some sections. Doubtless such interest is wholly unselfish and public-spirited, even though it has been alleged that the certainty of recovery of damages in automobile accident cases might be greatly enhanced if there were an insurance policy present in each case, and thus the lawyers' fees more definitely assured. But there are important considerations involved other than the question of sure recovery for damages sustained in such cases.

"The experience under the Massachusetts law has not been altogether happy and satisfactory. If it had been, other states would have followed the Massachusetts example, long since. In very recent times the Massachusetts law has been operating more fairly, due to the fact that at long last courageous public officials have honestly tried to see that the companies get a 'fair break' in rates and in underwriting.

Feels Method Not Justifiable

"It is submitted, however, that given adequate laws (which can be done), adequate enforcement, honest, courageous

and impartial administration, methods can be devised which will make compulsory automobile liability laws unnecessary. The possibilities of the financial responsibility laws have not been fully explored, nor have they been fully exhausted.

"Apologists for the Massachusetts law have lately made claim that it is now working in a satisfactory manner, but it seems doubtful indeed that if the commonwealth were not saddled now with compulsory automobile liability insurance, such a law could be there re-enacted. Time does not permit of an analysis of the defects of the Massachusetts system. This may be said—that Massachusetts insurance agents appear to be quite unhappy at the way it has worked for, or rather against, them. They emphasize that commissions have been reduced because of political pressure for reduced rates, which is probably a material result when insurance is made compulsory."

Educational Support Cited

He commented on the financial support the Association of Casualty & Surety Executives is giving the efforts of the agents to begin, coordinate and administer a system of short courses in insurance for agents throughout the country. This, he said, is a fine example of the practical cooperation that is vital to the continued success of capital stock insurance companies and agents.

Equity Rating Parley Is Set for August 15

(CONTINUED FROM PAGE 17)

Most responsible observers say that equity rating has produced abuses and there are many who would like to see the situation reformed. However, most of the bureau people feel that equity rating is pretty much of a necessary evil so far as they are concerned. There are some apologists of the equity rating system who claim that it does produce substantial justice; that despite the fact that it brings competitive pressure into play in a most pronounced way and forces many decisions yet by and large it does result in a risk getting the treatment that it deserves.

PERSONALS

The Commercial Standard of Fort Worth, Tex., has notified its employees that the directors have adopted a resolution that any person called for military training under the federal act will at the conclusion of the period be reemployed in the same or in an equivalent position and at the same scale of compensation he received prior to leaving the company for training.

K. F. Vasen, secretary-treasurer Commercial Standard, Fort Worth, Tex., will

be a speaker at the annual convention of the Colorado Association of Insurance Agents.

Mr. and Mrs. A. J. Lochte were guests of honor at a testimonial dinner in Rochester, N. Y., Tuesday evening, commemorating the 30th anniversary of Mr. Lochte's service with the United States Fidelity & Guaranty. The affair was sponsored by the employees of his office, a number of agents in Rochester, and a few close personal friends.

Mr. Lochte began his career with the company as a boy in the office of the then president, John R. Bland. After extensive experience in several departments he was sent into the field as special agent in Newark, N. J., branch. He was later field supervisor in the Syracuse branch and for a time represented the company in Panama.

When the United States Fidelity & Guaranty opened a branch in Rochester in 1933, Mr. Lochte was put in charge as manager. He has served as director of the Underwriters Board of Rochester and has been prominent in all organization matters in connection with the insurance business.

Fred Loewenguth served as toastmaster at the reception. After the guest of the evening had been required to submit to the presentation of a number of bizarre and useless articles, he was given a beautiful chair by Ted Childs.

Among the out of town guests were Talbot Sinclair, manager in Syracuse under whom Mr. Lochte served several years; Brent Wood, the assistant manager in Syracuse; E. G. Hundley, superintendent of the claim department at Syracuse; Charles Brooks, superintendent

of the engineering department at Syracuse, and Mr. and Mrs. Gene Sigler of Albany.

DEATHS

B. H. Ferrell, 43, Mississippi state manager of the Commercial Casualty, died at Jackson. He moved to that city from Summit, Miss., 12 years ago.

W. H. Brierly, a partner in Watrous & Co., general agency of San Francisco and Los Angeles, who had been active in casualty and surety circles in California for 20 years, died from injuries sustained in an automobile accident while traveling to San Francisco from Los Angeles. Mrs. Brierly, who was with him, is still confined to a hospital in Bakersfield, Cal., near the scene of the accident, in a serious condition.

Harold Spielberg, New York lawyer, who was president of Equitable Casualty & Surety until it was taken over for liquidation in 1931, died at his home in New York.

Takes Over Golden State Club

Commissioner Caminetti of California has taken possession of the Golden State Automobile Club and has been named conservator by the superior court in Los Angeles. This club was formed by a group of automobile dealers and created quite an issue in the insurance business.

The Hoodoo Day approach really sells accident and health. Get details from your company.

Commercial Standard Service

is not cut to a single standard pattern—it is made to conform to the specific needs of each agent.



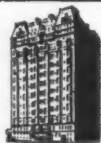
**COMMERCIAL STANDARD
INSURANCE COMPANY**
FORT WORTH, TEXAS

Opportunities
for Salesmen in
48
States

**Income
Insurance
Specialists**

*** NORTH AMERICAN ACCIDENT
INSURANCE COMPANY • 209 SO. LA SALLE STREET
CHICAGO**

AIR-CONDITIONED RESTAURANTS



ENJOY

PHILADELPHIA

Visit its many historic shrines, shop in its famous stores—
and live in the atmosphere of its traditional hospitality at
the Bellevue. Reasonable prices.

BELLEVUE-STRATFORD
IN PHILADELPHIA • CLAUDE H. BENNETT, General Manager

POINTERS FOR LOCAL AGENTS

Non-Ownership Coverage Has Wide Sales Possibilities

KANSAS CITY.—A lucid outline of non-ownership liability coverage was presented to the Casualty & Surety Underwriters Association by George Dyer, head of the Central Surety's automobile department.

The coverage often is designated as "contingent," which is a misnomer, said Mr. Dyer. This name implies that liability is contingent upon some happening, whereas liability actually is contingent only upon the establishment of agency at the time of the accident. This almost invariably is a question of fact for the jury.

"The coverage is based on these principles: (1) Liability arises from the principle of law that the master is responsible for the acts of his servant or agents. (2) Courts have held that the liability of the master is dependent on performance of acts in the carrying out of the master's business and not on whether the act was performed according to the master's direction. (3) The employer may be liable even though he had no knowledge that a car was used. (4) There also is some evidence to indicate that the employer has liability even though the employee is forbidden by the employer to operate a car in the course of his work.

Subject Is Broad

"But the subject is broad and includes more than just non-ownership in the strict sense. Coverage is available to anyone as protection for liability for operation by self or others of automobiles not owned. These various coverages are explained in the 'Non-Owned Automobiles' section of the manual."

Selling non-ownership coverages should be easier than ever before, thinks Mr. Dyer, because employers have been awakened to their need by publicity concerning court decisions, and by the sales efforts of agents.

"Every employer is a prospect, not just the big one. The farmer with a hired hand is a prospect; employers with private chauffeurs. Even if the employer hasn't a single employee who owns a car, any employee may borrow one."

Because of its complexities, non-ownership lends itself to presentation by written prospectus. Mr. Dyer suggested that the prospectus should show the prospect (1) his responsibilities under the law, (2) how the proposed insurance will cover him against those responsibilities, (3) what it will exclude, (4) what reports are necessary, and (5) when desirable, what the cost will be.

"Sometimes you will find the employer is aware of the risks of non-ownership liability but thinks he is protected through some half-hearted measure such as trying to check up on employees' individual policies. He should be enlightened as to the 'unknown' hazard. A strong argument here is that the largest corporations in the country with the best possible records of their insurance coverage and with the best primary coverage still supplement that protection with non-ownership policies.

"The agent must sell non-ownership two ways, to the prospect and to the company. He should keep the latter in mind when building his prospectus. Non-ownership is more readily acceptable to the insurance company if it gets the primary coverage, or if it secures other collateral lines in conjunction."

An important consideration to the car-

rier is whether employees of the prospective insured are informed of the existence of non-ownership cover. If employees are aware of such insurance, Mr. Dyer pointed out, the tendency, in case of accident, is for a version of the accident to come out that reflects employee's use of the car in the business of his employer.

Mr. Dyer reviewed court decisions that have established non-ownership liability.

"As I recall it, the court decision that gave the greatest impetus to the sale of non-ownership was the famous Dillon vs. Prudential case, California, 1926. Agent McDonald was driving his car on the way to a sales meeting when the accident occurred. The verdict of \$10,000 was sustained against the Prudential. The company appealed on the ground that McDonald was an independent contractor, but the appeal was denied by the supreme court.

Court Decisions Reviewed

"A law clerk employed in the office of a claim representative was on a pleasure trip in his own automobile when he took occasion to help in a claim adjustment while in the vicinity. An accident occurred and his automobile caused injuries. The verdict against him and the insurance company was \$50,607. Clark vs. N. J. Fidelity. Circuit court, Portland, Ore., July, 1928.

"One of the early cases establishing the principles involved in non-ownership was that of Singer Manufacturing Co. vs. Rahn decided 1889 by the U. S. Supreme Court. A sewing machine agent worked on a purely commission basis and regulated his own work except that he agreed to give all his time to the business. He furnished his own horses, but the company furnished the wagon. The judgment was against the Singer Company and was sustained on appeal to the U. S. Supreme Court.

"Another case happened to be a libel case but helps to establish the legal responsibility of the employer. The judgment was against the employer and the language is highly important: 'Although the particular act which gives the cause of action may not be authorized, still, if the act is done in the course of employment which is authorized, then the master is liable for the act of his servant.'

"A case that well illustrates the impossibility of foreseeing sources of loss is the following: A factory employee was injured. Another employee who had his own car at hand volunteered to take the injured person to the hospital. On the way he struck a pedestrian, causing his death. The supreme court said: 'This errand of the volunteer brought his automobile to the service of the defendant (the employer) and the driver thereof being his employee was at the time of the accident acting for the defendant, and the defendant is liable under the rule of respondeat superior for his negligence.'

"Our company's largest non-ownership claim resulted in a loss of about \$10,000.

The driver was a salesman for a wholesale house, and at the time of the accident he was returning home from his territory. It was on Thursday evening and he was allowed to elect whether on Thursday evenings he would return to his headquarters city or spend the night out in his territory. It was strictly up to him. The only requirement of his employer was that he complete the canvass of his territory each week.

"There are a number of decisions holding the hirer liable even in cases where the driver is employed and paid by the owner of the truck. In one case, that of Refro vs. Central Coal & Coke Co., the truck had a card on it stating that the coal transported thereon was from the defendant coal company. This matter of trucks bearing cards or being painted to show the owner of the goods

is just another connecting link toward directing liability or at least bringing up a question of fact for the jury."

Mr. Dyer discussed in detail the technicalities of "named operator policy," "drive other cars," hired automobiles, and employers non-ownership liability coverages as revealed in the manual. He pointed out that underwriting rules regarding non-ownership are much more flexible than they used to be.

Quotation Forms Available

The automobile rate quotation forms which were published in THE NATIONAL UNDERWRITER last week on the "Pointers" page will be reprinted and offered for sale in pads of 100 each. Samples can be secured from the Reprint Department, THE NATIONAL UNDERWRITER, 175 W. Jackson boulevard, Chicago.

Certified PUBLIC ACCOUNTANTS

CALIFORNIA

Auditing

Accounting

BENJAMIN H. HICKLIN

Certified Public Accountant

Member American Institute of Accountants

843-6 Russ Building
San Francisco

MICHIGAN

Miller, Bailey & Company

Certified Public Accountants
932-939 Buhl Building
DETROIT

RALPH C. MILLER, C. P. A.
JAMES I. BAILEY, C. P. A.
R. W. RANNIE, C. P. A.
C. J. LEHMAN, C. P. A.
JOHN L. BUSCH, C. P. A.
E. T. STRINGER, C. P. A.

LANSING OFFICE
1704 Olds Tower Building

FLORIDA

J. B. ASHER

Certified Public Accountant

Systems—Audits—Tax Assistance
Accounting Service

ORLANDO BANK & TRUST BLDG.
ORLANDO, FLORIDA

Orlando Phones 9821-9822

DAYTONA BEACH, FLORIDA

MINNESOTA

STRAND & ROE

Certified Public Accountants

OSCAR C. STRAND, C. P. A.
CLARENCE E. ROE, C. P. A.

Foshay Tower
MINNEAPOLIS

ILLINOIS

S. ALEXANDER BELL

Associated with

BAUMANN, FINNEY & CO.

Certified Public Accountants

Insurance Accounting, Audits and Systems

208 South La Salle Street
Chicago, Illinois

Telephone: Central 1378

MISSOURI

ARTHUR L. ROSS

Certified Public Accountant

Attorney-at-Law

2512 Fidelity Building
Kansas City, Missouri

NEW MEXICO

LINDER, BURK & STEPHENSON

Home Office

816 First National Bank Bldg.
Albuquerque, N. M.

Branches

3 El Torreon, Santa Fe, N. M.
Dashko Bldg. Hobbs, N. M.

COMPETENT GIRLS
WITH INSURANCE EXPERIENCE
Furnished by
TANNER PERSONNEL SERVICE
(Office Boys Available)
THE FIELD BUILDING
CHICAGO
Suite 1551 Franklin 3962

A · DIRECTORY · OF RESPONSIBLE INDEPENDENT ADJUSTERS

ARIZONA

LYLE ADJUSTMENT CO.
ELLIS BLDG., PHOENIX

All Lines
BRANCHES
TUCSON FLAGSTAFF YUMA
Woolworth Bldg., Masonic Bldg., 524 Orange Ave.
Covering—Arizona, Western New Mexico, Southern
Utah and Imperial Valley, California

ARKANSAS

CENTRAL ADJUSTMENT COMPANY

E. E. Gaupp, Manager
Suite 306 Exchange Bldg.
Little Rock, Arkansas
BRANCH OFFICES
Fort Smith Office El Dorado Office
217 First Nat. Bank Bldg. 208 N. Washington
Jonesboro Office
Bank of Jonesboro Bldg.

CALIFORNIA

J. P. McHALE & CO.

General Adjusters
for Insurance Companies
1031 South Broadway
LOS ANGELES, CALIFORNIA
Representing 45 insurance companies—
All Lines
Since 1915

W. E. GRIFFITH & SON

332 Pine Street, San Francisco
Insurance Claims Adjusters
Oakland Office: 1736 Franklin
San Jose Office: 248 South First St.

W. C. NICOLL & SON
ADJUSTER

Fire Losses — Inland Marine
Phone: 24 hour Service
San Francisco 114 Sansome St.
Butler 4884
Oakland Hight 2233

WAGNER & GLIDDEN, INC.
TOPIS & HARDING, INC.

INSURANCE ADJUSTMENTS
ALL LINES
Chicago New York
Los Angeles and
Detroit
Offices Throughout the World

COLORADO

HENKEL ADJUSTMENT CO.

Fire—Automobile—Marine—Casualty
"Member Nat'l Assn. Independent
Insurance Adjusters"
—18 Years' Experience in Loss Adjustments—
Gas & Electric Bldg.—Denver, Colorado
Casper, Wyoming Office—Townsend Building

DIST. OF COLUMBIA

NICHOLS COMPANY
INSURANCE ADJUSTMENTS

All Lines—Representing Companies only
Established 1921—Twenty-four hour Service
Woodward Bldg., Washington, D. C. Phone Met. 0316
Mutual Bldg., Richmond, Va. Phone Dial 3-8359
Mercantile Trust Bldg., Baltimore, Md.
Phone Plaza 6220
Masonic Bldg., Winchester, Va. Phone Win. 179
Wareham Bldg., Hagerstown, Md. Phone Hag. 798

ILLINOIS

**WILSON S. LEVENS
& CO.**

ADJUSTERS — ALL LINES
Insurance Exchange Bldg. Chicago

PHONE HARRISON 3250
THOMAS T. NORTH
ADJUSTMENT COMPANY
Adjusters
All Lines
Insurance Exchange Building,
175 W. Jackson Blvd.
Chicago

ILLINOIS (Cont.)

A. B. Litow—B. I. Hayman—
Adelaide M. Le Blanc

JOSEPH RICE & CO.
Insurance Exchange Building
Chicago

Established 1899

WHITNEY & MILLER
ADJUSTMENTS

175 W. Jackson Blvd. CHICAGO

Day Phone 1472-R Night Phone 1472-W

FRANK R. SCHMIDT
Insurance Adjuster

Representing Insurance Companies
All Lines
LaSalle State Bank Bldg., LaSalle, Illinois
Covering Central Northern Illinois

PEORIA

Angus B. Ferdinand
BONDED
1046 Jefferson Bldg.
Oldest and Most Reliable
All Lines

CLARENCE W. HEYL

8th Fl. Central National Bank Bldg.
Peoria, Ill.
Insurance Adjustment Service in all insur-
ance lines.
Representing sixty leading companies.
Telephones: Office 8184.
Night 4-2051; 4-6053; 2-1537; 3-5027

LIVINGSTONE ADJUSTMENT SERVICE

C. A. LIVINGSTONE, Former President of
ASSOCIATED ADJUSTMENT BUREAU, INC.
Phone 7531, Night Phones 2-7335—3-1039
Insurance Claim Investigations and
Adjustments All Lines
619 E. Capitol Ave., Springfield, Ill.
Covering All of Central Illinois

C. A. MOORE AND ASSOCIATES

Adjusters—All Lines
Springfield

Decatur—East St. Louis—Centralia—Marion

INDIANA

CENTRAL ADJUSTING COMPANY
Consolidated Bldg., Indianapolis, Ind.

John T. Hume, Jr., V. P. & Gen. Mgr.
BRANCHES
Evansville 414 Old Nat'l. Bank Bldg. Hammond 407 Lloyd Bldg.
Fort Wayne 550 Lincoln Tower South Bend 711 Odd Fellows Bldg.
All Lines—Specializing in—Automobile—Inland
Marine and Fire.

**INDIANA ADJUSTMENT
COMPANY**

INDIANAPOLIS
AUTOMOBILE & CASUALTY
Resident adjusters at Evansville, Fort
Wayne, Indianapolis, Richmond, South Bend,
Terre Haute and Louisville, Ky.

Eugene McIntyre
Adjustment Co., Inc.
All Lines of Automobile, Casualty and
Inland Marine
Eight East Market Street
INDIANAPOLIS
Branch Offices:
Muncie, Ind., Terre Haute, Ind.

KENTUCKY

J. H. HARRISON, INC.

All Lines
Fire — Tornado — Explosion — Riot — Automobile
— Inland Marine — Aircraft — Accident & Health —
Compensation—Casualty—Surety—Special Investiga-
tions.
Over 20 Years' Experience
Stark Bldg. Louisville, Ky.

MARYLAND

NICHOLS COMPANY
INSURANCE ADJUSTMENTS

All Lines—Representing Companies only
Established 1921—Twenty-four hour Service
Mercantile Trust Bldg., Baltimore, Md.
Phone Plaza 6220
Wareham Bldg., Hagerstown, Md. Phone Hag. 798
Woodward Bldg., Washington, D. C. Phone Met. 0316
Mutual Bldg., Richmond, Va. Phone Dial 3-8359
Masonic Bldg., Winchester, Va. Phone Win. 179

MICHIGAN

ROBERT M. HILL COMPANY
INSURANCE ADJUSTERS

Fire, Automobile, Marine, Jewelry, and Furs
1714 Union Guardian Bldg.
Detroit, Michigan
Telephones: Day Cherry 4380
Night University 2-1882; Townsend 77949

ROBERT P. SCHOLTE

Houseman Bldg.
Grand Rapids, Mich.
Investigating, adjusting insurance claims,
companies only, in and around Grand Rapids.
Correspondents all nearby cities.

MISSOURI

E. L. HOTH
MANAGER

TELEPHONE
GRAND 2822

CLAIM SERVICE COMPANY
Insurance Exchange Building
TWENTYONE WEST TENTH STREET
KANSAS CITY, MISSOURI

Eugene P. Donnelly

Insurance Adjuster
Automobile—Casualty—Fire—Marine
Phone Office: Victor 3838
Phone Home: Westport 4654
606 Waltower Bldg., Kansas City, Mo.

NEBRASKA

**JUDD W. CROCKER CLAIM
DEPARTMENT, INC.**

INSURANCE ADJUSTERS
City National Bank Building
Phone Jackson 6394
Omaha, Nebraska
BRANCHES AT
Lincoln, Neb. Des Moines, Iowa
Grand Island, Neb. Sioux City, Iowa
North Platte, Neb. Iowa City, Iowa
Scottsbluff, Neb. Cheyenne, Wyoming

R. T. GUSTAFSON COMPANY

Insurance Adjusters—Serving Nebraska and Iowa
CASUALTY—ALL CLASSES: Auto, Liability, Com-
pensation, Burg., H&A, P. G., Bonds, etc.
AUTO FIRE, Theft, Property Damage, Collision, etc.
OMAHA, NEBRASKA
240 Keeline Bldg. Office: Webster 2631
17 and Harney Sts. Res. Kenwood 7411
35 years experience investigations and adjusting.

OHIO

M. M. WELSH

With associate staff
1216 First National Bank Bldg.
CINCINNATI, OHIO
Phone Parkway 1896—Night & Holidays East 8998
General Adjusters for the Companies
Operating throughout Ohio, Northern Kentucky and
Southeast Indiana

Telephones: CHerry 8398 - 8399 J. W. Jones
J. F. Karasek
JONES CLAIMS SERVICE
(Formerly Thayer Adjustments)
708 Keith Bldg.
Cleveland, Ohio

Casualty—Automobile—Surety—Accident & Health
Claims in Cleveland and Surrounding Northeastern
Ohio.
16 years experience.

OHIO (Cont.)

WEYER AND CORLETT
ADJUSTERS

For the Insurance Companies
Investigations, Appraisals, Adjustments
924 Union Commerce Building
Cleveland, Ohio
24 Hour Service—Call Prospect 5111

Specializing in Casualty and Entire
Automotive Lines—Special Risks

EDW. A. GEMERCHAK
401 Gardner Building
Toledo, Ohio
Telephone: Main 7011

OKLAHOMA

C. R. WACKENHUTH
ADJUSTER

1205 East 32nd Street
Phone 2-5408 Tulsa, Okla.

PENNSYLVANIA

HAMILTON ADJUSTMENT BUREAU

23 South Front Street
Harrisburg, Pa.
H. K. Hamilton, Mgr.
Phone 3-8803

THE CURLEY ADJUSTMENT BUREAU

Complete Claim Facilities for Pennsylvania,
Northern Maryland and Southern Jersey
ALL EMPLOYEES ADEQUATELY BONDED
Main Office: 500 WALNUT ST., PHILADELPHIA
Atlantic City—3700 Atlantic Avenue; Chambersburg—
167 Lincoln Way East; Erie—Masonic Bldg.; Harris-
burg—22 S. 3rd St.; Pittsburgh—1104 Investment
Bldg.; Reading—Ganster Bldg.; Williamsport—120
West 4th Street.

Day-Night-SERVICE—Every Day
Phone, Reading 2-6790

C. C. NORTON
Wilson Adjustment Bureau
Adjusting Service for Every Kind of Claim
526 Washington Street, Reading, Penna.
Lancaster, Penna. Pottsville, Penna.

VIRGINIA

NICHOLS COMPANY
INSURANCE ADJUSTMENTS

All Lines—Representing Companies only
Established 1921—Twenty-four hour Service
Mutual Bldg., Richmond, Va. Phone Dial 3-8359
Masonic Bldg., Winchester, Va. Phone Win. 179
Woodward Bldg., Washington, D. C. Phone Met. 0316
Mercantile Trust Bldg., Baltimore, Md.
Phone Plaza 6220
Wareham Bldg., Hagerstown, Md. Phone Hag. 798

WEST VIRGINIA

JOHN C. WYCKOFF CO.

Insurance Adjustments
Main Office Fairmont, W. Va.
BLUEFIELD, W. VA. CLARKSBURG, W. VA.
Peery Building
HUNTINGTON, W. VA. WHEELING, W. VA.
First Huntington Natl. Bank Bldg. Trust Building
CHARLESTON, W. VA.
Capitol City Building
PARKERSBURG, W. VA.
Union Trust Building

WISCONSIN

NURNBERG ADJUSTMENT CO.
General Adjusters

Fire, Windstorm, Hail, Automobile, Casualty
and Inland Marine
Underwriters Exchange Building
MILWAUKEE
525 N. Broadway Phone Daly 5429
BRANCH OFFICES:
ANTIGO, MADISON & EAGLE RIVER

FIRE INSURANCE NEWS BY STATES

MIDDLE WESTERN STATES

New Census Figures to Affect Dwelling House Mutuals

ST. PAUL—Official census figures soon to be issued are expected to affect dwelling house coverage in the smaller communities. Indications are that a number of the towns and villages which have been rated under 1,000 population since 1930 will go above that mark in the 1940 figures. That will automatically bar township mutuals from doing business in such places as the law limits them to communities up to 1,000 population.

It is probable the township mutuals will go before the 1941 legislature with a request they be permitted to operate in places larger than 1,000. Two years ago they attempted to have the limit set at 5,000 but were turned down.

There are indications, too, that an effort will be made in the 1941 session to increase the taxation of township companies. At present they are free from taxation except the 2 percent premium tax in towns that have organized fire departments. There is talk of asking a law that would require them also to pay the .5 percent premium tax for the support of the fire marshal's office. The fire marshals spend a lot of time checking farm arson cases and as township companies benefit from this service it is felt that they should help pay for it.

Heavy Hail and Wind Storm Hits North Dakota Section

MINOT, N. D.—An extensive hail storm accompanied by high wind battered its way across Burke county Thursday night of last week and followed the Des Lacs valley from Niobe southeastward to Kenaston, Coulee, Donnybrook and Carpio-Hartland area and as far down as Burlington and Minot. There was heavy hail damage in Divide county, north of Noonan, along the Canadian boundary. The damage to growing crops was extensive and there was considerable property loss on buildings due to wind and hail. The greatest damage done in Minot was on Neon signs and windows and nearly all Neon signs on the south and east sides of buildings in the business district were broken. Shingle roofs were damaged throughout the entire section visited by the hail.

North Dakota was hit July 25 with a hard wind and hail storm, West Hope being especially affected.

Study Grand Rapids School Cover

GRAND RAPIDS, MICH.—Due to a reduced appropriation for insurance in the budget of the board of education, a study is being launched by the board and the Grand Rapids Association of Insurance Agents. Only \$2,500 is provided for insurance on the board's buildings although policies on properties now insured for about \$3,330,000 expired Aug. 2. Insurance men told the board the sum available would buy only \$1,000,000 of insurance on a three-year basis but would purchase coverage of \$2,500,000 for one year. The coverage is being extended on binder for a month, pending decision as to what course should be pursued.

Kansas City Work Assigned

C. S. Stubbs has been appointed chairman of the committee of the Kansas City Association of Insurance Agents to promote attendance at the annual convention of the Missouri Association of Insurance Agents in Joplin Oct. 7-8. M. T. Jones, president of Kansas City Fire &

Marine, has been appointed chairman of the committee to secure support for an agents' qualification law in Missouri.

Wisconsin Department and State Fund Audit

Commissioner Duel of Wisconsin declares that he will ask the next legislature to reimburse the state fire insurance fund for loans made by previous legislatures to enable the construction of the state office building annex and the state orthopedic hospital on the University of Wisconsin campus. Deeds held by the state fund to the two non-liquid, non-revenue producing properties represent about half its assets. Its stability is said to be threatened.

An audit by Commissioner Duel rejected the properties as "admitted assets." Owing to earlier "raids," Commissioner Duel said the insurance fund's assets have been greatly reduced and it is now in no position to offer lower rates. Commissioner Duel said that the audit he recently ordered was the first made in 30 years.

Ohio Agency Changes

Paul T. Buckman has purchased the agency of the late Park E. Dill, Westerville, O. Mrs. Margaret M. Kelly has taken over the agency of her late husband, John F. Kelly, at Leipsic. H. G. Muchelnaus has sold his agency at Newcomerstown, O., to J. C. Ross. At Massillon, O., Mrs. Sadie E. Williams has taken over the agency of her late husband, Abraham L. Williams.

E. S. Siple, secretary of the O. J. Lange agency, Cleveland, has purchased the agency and will operate it as an individual. C. T. Robinson & Son have purchased the Lola C. Neal agency at Gallipolis. L. J. Cook, who has been operating the J. E. Fox agency, Bridgeport, O., has taken in his son, R. L. Cook, and the agency will be known as L. J. Cook & Son. Frank Skimming has purchased the A. C. Haines agency, Wilmington, O.

Hearing on "Co-op" License

ST. PAUL—Commissioner Yetka conducted a hearing on the application of H. B. Brissman to operate an agency under the name of the Farmers Union Agency in South St. Paul. There has been considerable opposition to granting a license to Brissman on the ground that he would in effect be conducting a cooperative agency which through dividends and refunds to stockholders would be in violation of state laws. The Minnesota Association of Insurance Agents has been much interested in this case and has held several conferences on it.

Commissioner Yetka holds that if Brissman can meet the department's qualifications for an agency, he would be obliged to grant the license. If, on the other hand, opponents could establish that Brissman's record in the past has raised a question as to his qualifications, the commissioner would be justified in taking that into consideration.

Wrote in Surrendered Companies

LANSING, MICH.—Licenses for representation of several companies by Adolph Gedda, Bessemer, have been revoked by the Michigan department. Seth Burwell, head of the department's licensing division, who conducted several investigations in northern Michigan, said that Gedda, a municipal judge in Bessemer and an agent for 20 years, was found to have issued policies for companies he no longer represented. It ap-

peared that he had used forms obtained when he represented one company some 12 years ago, although he made affidavit that the forms had been lost or destroyed and hence could not be surrendered.

Organizes Inspection Service

MINNEAPOLIS—Arthur Nordstrom, former Minnesota deputy insurance commissioner, has organized the Northwest Underwriters Bureau, to provide confidential reports on insurance applicants. Mr. Nordstrom is president; T. E. Murphy, vice-president, and M. N. Nordstrom, secretary-treasurer. Offices will be opened in the Midway building Aug. 15.

Over 1,000 N. D. Hail Claims

BISMARCK, N. D.—Up to Aug. 1, 1,072 claims had been filed with the North Dakota state hail office, against 878 a year ago. Most of the claims were for total loss, Manager C. J. Myers reports.

Turnquist Joins Gilbert

ST. PAUL—A. E. Turnquist, who recently resigned as state agent in Minnesota for the Pacific National Fire, has become associated with the Louis Gilbert agency here.

Survey Madison, Wis. Cover

MADISON, WIS.—A committee has been appointed by Mayor Law to make a complete survey of fire insurance on city buildings, exclusive of school houses, and to establish a standard procedure for purchasing insurance. Revaluation of buildings indicates adjustments should be made in fire policies. The city has a self-insurance fund of about \$75,000 but does not carry all its risks.

Emporia Insurers Organize

The Emporia (Kan.) Insurers is the name of the new local board organized there with F. A. Scott, president; J. A. McClure, first vice-president; E. C. Ryan, second vice-president; and H. L. Sloan, secretary-treasurer.

Pilot Training Reviewed

WICHITA, KAN.—Roy W. Elliott, director of the C.A.A. program at the University of Wichita, spoke at this week's meeting of the Wichita Insurers, outlining the insurance requirements of the C.A.A. pilot training course. The annual meeting will be held Aug. 22. Steps are being taken to organize an insurance school, probably to meet weekly during the fall and winter in conjunction with the night school of Wichita University.

Discuss Iowa Convention Plans

DES MOINES—With several members of the state executive committee in attendance, the Des Moines local board held a stag dinner to discuss plans for the state association's annual meeting here Sept. 4-6. Harry C. Brown, Mason City, state president; R. W. Forshay, Anita, national councillor, and B. C. Hopkins, Des Moines, chairman of the executive committee, attended the meeting.

President Brown announced the resolutions committee for the convention: Ludwig Rubek, Cedar Rapids, chairman; Herbert Vaughan, Waterloo, and J. W. Wooldridge, Sioux City.

NEWS BRIEFS

The Council Bluffs, Ia., school board adopted a program of selecting an adviser to service the insurance for the district and distribute the coverage

among local agencies. It accepted the proposal of the E. R. McDonnell agency for servicing and it will later allocate the insurance. It was decided to include fire, boiler and complete coverage on buildings including fixtures.

F. E. DeHority & Son, Elwood, Ind., local agency, observed its 40th anniversary with an open house. Members of the firm are Frank E. and Robert L. DeHority. It is the oldest agency in the city. Frank DeHority was born, reared, and started in business within 300 feet of the present office. His son Robert has been associated with him the latter's entire business life.

The engagement of T. C. Field, 3rd, associated with his father in the T. C. Field & Co. general agency of St. Paul and Miss Lucy Hughes Jones of St. Louis is announced. The wedding is set for January.

Harold S. Smith, Milwaukee local agent, has been named an honorary colonel on the staff of Governor Heil of Wisconsin.

J. W. Tyler, who has been a solicitor with the agency, has been elected vice-president of Davis & Disette, Cleveland.

The McCoy & Burr agency, Sioux Rapids, Ia., has purchased the Sioux Rapids Insurance Agency.

The local agency of Gilbert & Albert, Guardian building, St. Paul, has been split up. P. H. Gilbert will continue in the old quarters while his brother, L. A. Gilbert has opened an office at 104 East Fourth street.

SOUTH

Insurance Advisory Group for Dallas Credit Men

President F. S. Mallinson of the Dallas Insurance Agents Association has become chairman of an insurance advisory committee for the Dallas Wholesale Credit Men, to conduct an educational campaign to acquaint credit men with insurance coverages. Other Dallas insurance men on the committee, in addition to four credit men, are Cruger T. Smith, E. C. Gambrell, B. F. Harris and Manager Alfonso Johnson of the Dallas Association.

According to P. A. Kerin, secretary of the Dallas Wholesale Credit Men's Association, the committee will seek to add 2 "C's" to the original list of the 3 "C's" of credit (Character, Capacity and Capital) the two new ones being conditions and coverages. The work of the Dallas committee has been stimulated by a large mercantile fire in Texas which in a few hours changed a so-called good credit risk to one that paid only 40 cents on the dollar to its creditors because of under-insurance, and lack of proper coverage.

The insurance advisory committee will provide speakers on insurance subjects for the credit men's meetings, will issue bulletins on insurance subjects, and will compile, for the benefit of the credit men, case histories of firms which could have been saved from bankruptcy through proper insurance coverage.

Governor Removes Three La. Commission Members

NEW ORLEANS—At the request of Governor Jones three members of the Louisiana insurance commission resigned July 31. So far no new appointments have been announced. The commissioners resigning were: C. A. Provost, chairman, Mrs. Olive E. Woods, secretary, and L. B. Ponder, Sr. All three were Long adherents and their dismissal was not unexpected. P. B. Ruello, chief clerk, is still on the job.

The application of the First National of Seattle for a 20 percent deviation on

all fire, windstorm and extended coverage rates was scheduled to come up for discussion before the commission Aug. 1. On that date there were no commissioners, and therefore no hearing. This filing has caused considerable comment, and it is understood a stiff fight will be made against it.

Aids Stock Agents in Survey

NASHVILLE—The Tennessee Taxpayers Association is giving valuable cooperation to stock fire agents in providing fire protection to county and city governments.

In preparing suggestions for improvements following a survey of the government of Elizabethton, Tenn., a complete analysis of the fire insurance protection program of the city was made with recommendations. W. R. Pouder, taxpayers association executive secretary, secured the assistance of J. H. Norton, manager Tennessee Inspection Bureau, and Mark Bradford, Jr., local agent, in preparing the study.

Elizabethton officials were urged to consider the savings on three-year policies, except on property secured by tax foreclosure on which one-year coverage is more satisfactory since such property is usually sold in a short time. Conversion to three-year policies can be made on a one-third each year basis to maintain a uniform distribution of premium costs annually. Scheduling individual policies was stressed as a means of affording uniform protection and to facilitate settlement in case of loss or damage. All calculations were based on stock company costs and city officials were urged to secure "the counsel of competent authorities in the fire insurance field."

In case of properties reasonably free of the danger of a general conflagration, the possibilities of carrying a somewhat reduced amount of fire insurance protection through the use of coinsurance were pointed out.

Tennessee agents are considering the possibility of publishing the analysis to distribute to all city and county officials in the state.

Loss Prevention Drive in Dallas

DALLAS—Plans for an intensive fire prevention campaign in Dallas are being made by the Dallas Fire Prevention Council, formed by the Dallas city council and cooperating with the Dallas Association of Insurance Agents, because of the increase in the per capita fire loss in Dallas from \$1.96 in 1938 to \$3.50 in 1939 and the corresponding increase in insured losses of \$48,552 for the first five months of 1940 over the same period in 1939.

Steckler Agency Field Shifts

A. B. Eberts, who has been special agent of the H. A. Steckler general agency in Mississippi, has been transferred to the New Orleans office to assist in the management of the general agency. Mr. Eberts is succeeded in Mississippi by Ben O. Logue, formerly with the Holland & Gates general agency of Jackson. Mr. Logue will have headquarters in the Standard Life building, Jackson.

License Renewal Refused

RICHMOND—Commissioner Bowles has refused to renew the license of J. L. Story, Portsmouth local agent. Story brought mandamus proceedings some months ago to compel the department to issue him a license which had been suspended because of alleged unethical practices for the remainder of the year expiring July 15. The Virginia supreme court sustained the action of the department.

Consider Schedule Rating Plea

RICHMOND—The Virginia corporation commission has under advisement the question of whether Fredericksburg and vicinity should be placed on a schedule basis for fire rating, following a hearing last week. It has been on a

flat rate basis for a long time. In a similar action a year or so ago the city of Staunton was placed on a schedule rating basis after being on a flat rate.

NEWS BRIEFS

H. J. Clark, chief engineer Oklahoma Inspection Bureau, is seriously ill at his home in Oklahoma City. He has been ill a year or more, and has been unable to be at his desk regularly for several months.

The initial meeting of the executive committee of the Oklahoma Capital Stock Insurance Council, scheduled for Aug. 2, has been postponed until September, the date to be announced later.

R. J. Wilson, Dallas local agent for several years, has sold his agency to Pearlstone & Elliott and is returning to field work. He started with the old Fidelity Union Fire of Dallas.

H. R. Schultz, special agent Continental, Abilene, Tex., presented gold wrist watches to J. L. Marr and W. R. Piper of the El Paso local agency of Marr, Piper, Eckford & Jackson in recognition of 25 years' representation.

COAST

Issue Arises Over Mortgaged Premises

The United States circuit court of appeals, 9th circuit, reverses and remands a decision from the lower court in Tarleton et al. vs. DeVeue d/b/a San Francisco Underwriters et al.

Appellant Mary Ann McElligott, the owner of a piece of land about 8 miles north of Sacramento, Cal., together with the frame store building and two gasoline pumps, borrowed \$4,000 from appellant, Ida Tarleton, and to secure the repayment of this loan executed a first deed of trust upon the property. The total amount with interest from May 15, 1930, was due and unpaid. There was a provision in the deed to the effect that the borrower agreed "to keep all improvements upon said premises insured for the full insurable value," and that in default the lender "may procure such insurance, paying the premium thereon." It was in pursuance of this agreement that the appellant, McElligott, in August, 1935, requested one W. V. McGlone, a general agent in Sacramento, to procure a policy. She instructed him to insure the building for \$4,000, with the loss payable clause in favor of Tarleton, the mortgagee. Stock and contents were to be insured for \$1,000. McGlone was to keep the property insured in any company he might select. Several companies had declined to insure, or had canceled policies on the property because it was considered a bad risk.

Dealt With Another Agent

On March 1, 1936, Hobbs, an agent for the Lumbermen's Underwriting Alliance that had canceled a previous policy covering the McElligott property was in McGlone's office and the latter sought his aid in securing insur-

Headliners at Coast Rallies



H. P. NORTH



H. W. SEMMELMEYER

Two of the headliners at the meetings this week of the state local agents associations in Washington and Oregon were H. P. North and H. W. Semmelmeier. They are engaged in related lines of ac-

tivity. Mr. North is in charge of the Pacific coast department of the Business Development Office while Mr. Semmelmeier is public relations director of the Pacific Board.

ance. McGlone testified that he told Hobbs to get a policy for \$5,000, \$1,000 on the stock and \$4,000 on the building with Ida L. Tarleton as mortgagee. Hobbs said he couldn't write the insurance himself but he would place it for McGlone in San Francisco.

Hobbs then sent the application to A. J. Ulvilla, his superior, who in turn contacted J. D. Richards, a general broker of San Francisco. Richards applied in person at the office of the appellee where he was given a policy with the mortgage clause duly countersigned and executed by its general agent, Clarence DeVeue. The policy was mailed to McGlone and Mr. McElligott thought the policy was paid for and that McGlone had taken care of it. He promised him that he would pay the \$200 premium later in the year. Ulvilla declared that he had prior to the return of the policy "dunned" McGlone for the premium and that McGlone in response to these requests endeavored to obtain the money from Mrs. McElligott but was unable to contact her because she was ill.

Returned Policy for Cancellation

On May 2, 1936, McGlone returned the policy to the agent of the appellee with a request that it be canceled explaining that the insured was unable to make payment of the premium because of sickness in the family. McElligott

was unaware that the policy was being returned to the appellees and was not apprised that McGlone had done so or had suggested cancellation. In this regard McGlone acted on his own initiative without consulting with Mrs. McElligott and without her direction or consent. On May 4, 1936, DeVeue, in a letter addressed to Richards, acknowledged receipt of the policy from McGlone but did not state specifically that it had been canceled. He demanded payment of an earned premium of \$30.

The appellants seek to escape the force and effect of the letter because written and signed not by DeVeue but in his stead by the cashier.

Questions Before the Court

The questions before the court were, first, whether the policy was ever in effect; second, if so, whether it was incumbent upon the appellees as required in the mortgage clause attached to be made a part of the policy to have given Mrs. Tarleton, the mortgagee, 10 days notice before canceling, and third, whether the action of McGlone in returning to the appellees the policy accompanied by a request to cancel it, deprived Mrs. McElligott of any rights, particularly in view of the fact that he acted without her knowledge.

The higher court held that if there had been a cancellation the property would have been wholly without insur-

Weavers

ADJUSTERS! REDUCE YOUR FIRE CLAIMS!

Consult Us Before Settlements

We reweave to perfection Burns, Stains and Damages in Rugs (Oriental & Domestic), Table Cloths, Tapestries, Wearing Apparel and Upholstered Furniture. Finest Cabinet Refinishing of Furniture burnt by cigarettes.

All Work Guaranteed

AMERICAN WEAVING COMPANY

Est. 1910

5 North Wabash Ave.

Phone: DEArborn 1693-4

Chicago



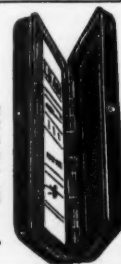
We serve leading Companies and Adjusters throughout the Country. References gladly furnished.

Steel Policy Box

Permanent Policy Container

Heavy Steel. Size 11 1/2 x 5 1/2 x 2 1/4. Finished in Black Enamel. Advertisement in gold on top of box. Each in carton, with two keys. Lots of 25-50 or 100 \$2c ea. A silent salesman that will last a lifetime.

PATENT NOVELTY CO.
Fulton, Illinois



F. C. & S. Bulletins

The Insurance Man's "RIGHT HAND"

Read the
Fire, Casualty
& Surety Bulletins
420 E. Fourth St., Cincinnati, O.

FACTUAL APPRAISALS

Impartial Valuations of Industrial and Commercial Property... A quarter century of factual appraisal service to America's more conservative business institutions.

The Lloyd-Thomas Co.

APPRAISAL ENGINEERS
EXECUTIVE OFFICES

NEW YORK 350 FIFTH AVE. CHICAGO 4411 RAVENSWOOD AVE.
DISTRICT OFFICES IN OTHER PRINCIPAL CITIES

ance. It seems now to be well settled by the California decision, the court held, that an agent is not an agent for cancellation, that in order to defeat an action on a policy on the ground that the policy was canceled, it must be shown either that the conditions on which the company was allowed to cancel the policy were strictly complied with or that the insured, knowing all the facts, waived such compliance.

The court held that the policy, having been in effect, and the agent being without authority to cancel it, the company was required before the policy could be canceled to comply with its terms and give notice. It was admitted that this was not done. The higher court said that it follows that the policy was in effect at the time of the fire and that appellant McElligott is entitled to recover as her interests may appear.

President Smith on the Circuit

President Sidney O. Smith of the National Association of Insurance Agents is imbued with the spirit of the Pacific Coast these days. He spoke before the Utah Fire & Casualty Insurers Association last Friday. Then he went to Portland, Ore., to address the Oregon Insurance Agents Association, holding its meeting there Monday and Tuesday. From there he went to Seattle to give an address before the Washington Insurance Agents League meeting the latter part of the week. He journeys then to Hayden Lake where the Idaho Association of Insurance Agents will hold its meeting next Monday and Tuesday. From there he goes to Lewistown, Mont., to address the Montana Association of Insurance Agents, holding its convention Aug. 19-20. He will end his Chautauqua circuit at Duluth where the Minnesota Association of Insurance Agents will meet Aug. 22-23.

Idaho Agents Have Splendid Program

The Idaho Association of Insurance Agents has announced its program for its annual meeting Aug. 11-13 at Hayden Lake, the headquarters being at Bozanta Tavern. On the first day, Sunday, there will be registration and a meeting of the executive committee in the evening. The convention proper will start Aug. 12 with an address of welcome by Mayor Coe of Coeur d'Alene. The response will be by R. S. Campbell of Dollard, Perrault & Campbell of Boise. He is past president of the Idaho association. D. L. Rogers, manager of the Rossi Insurance & Investment Company of Wallace, the president, will give his report followed by that of Secretary O. W. Nelson of the Gridley Investment Company of Coeur d'Alene.

Vice-president L. E. Falls of the American will give an address on "The Value of an Insurance Agency Tomorrow." Elizabeth Miller, liability underwriter for the United Pacific of Seattle, will speak on "Comprehensive Liability Insurance." Insurance Director T. L. Walrath of Idaho will talk on "Legislative Problems." H. H. Lipps of the Morton-Lipps Company, Lewiston, will give his report as national councillor.

At the afternoon session President Sidney O. Smith of the National association will speak. There will be a cruise on Lake Coeur d'Alene for the ladies. Ray Murphy, assistant general manager of the Association of Casualty & Surety Executives, who was billed to speak, found it necessary to cancel his engagement but plans are being made to have him speak over the long distance telephone. The revised by-laws will be brought up by A. L. Gridley of Coeur d'Alene, who has spent much time in bringing these up to date. There will be a dance in the evening.

On the next morning, F. W. Ensign of Boise, who was appointed by Gov-

ernor Bottolfson to suggest amendments and changes in the state insurance code for presentation to the next session of the legislature, will tell what he has done. There will be election of officers.

In the afternoon there will be a golf tournament and in the evening the banquet at which Sidney Smith will again speak. W. H. Malony will act as toastmaster. Secretary Nelson is responsible for the program for the meeting.

Cal-Union Agencies Open House

SAN FRANCISCO—More than 3,000 attended the opening reception of Cal-Union Agencies, Inc., recently formed by San Francisco business men to serve as general agent for the Caledonian-America, Union of Canton and Tokio Marine & Fire. The officers and directors of the new organization—all of whom are making their first venture into the insurance business—were on hand at the new quarters at 240 Sansome street.

Beaumont McLaren, long active in company and brokerage circles in San Francisco, is general manager. F. D. Parr, shipping magnate, president of the Parr Terminal and the Parr-Richmond Terminal, is president.

Firemen's Advances Muller

SAN FRANCISCO—J. V. Muller, who has been a special agent of the Firemen's group for several years out of the Pacific department headquarters here, has been advanced to superintendent of agencies. He started with the Maryland Casualty and later went to Los Angeles as assistant secretary of the former International Indemnity in 1926. He joined the Firemen's in 1928 as special agent covering northern California.

Houston F. & C. Non-Board

Houston Fire & Casualty, in shifting its representation on the coast, is now a non-board institution in that part of the country. It was formerly operated by Cravens, Dargan & Fox in San Francisco. Its affairs are now being handled on a general agency basis by General Agencies of New York, 200 Bush street, San Francisco.

Jack Heidelberg, who is head of General Agencies of New York, entered the insurance business in San Francisco in 1922 with Charles H. Williamson, broker. He organized United Indemnity Exchange in 1928 and in 1932 joined Pearl as manager of the automobile department in New York. A year later he returned to San Francisco to manage General Agencies of New York which at that time represented Monarch Fire. Later he joined the Pacific department of Pearl.

Agents Ask Bellingham Change

BELLINGHAM, WASH. — Complaining that non-stock automobile carriers are enjoying a rate advantage in territory adjacent to Bellingham, the Northwest Washington Insurance Agents Association has adopted a resolution calling on the stock companies to revise their territorial setup by using country term rates outside Bellingham corporate city limits. It is claimed the non-stock carriers secure an advantage over the other companies which use Bellingham territory for rates for a considerable distance outside the city limits.

Brown & Sons Open House

Edward Brown & Sons of San Francisco, well known general agents, are holding open house at all the northwest conventions, including Oregon and Washington this week and will also follow the same rule at the Idaho and Montana gatherings.

Half Million Lumber Suit Up

TACOMA, WASH. — The claim of the Eastern Railway & Lumber Co., Centralia, Wash., for \$500,000 against the Travelers Fire and American Eagle is being heard in federal court here by Judge Yankwich of Los Angeles, who was assigned to hear the litigation. The Centralia company

alleges the insurance companies refused to pay claims when its lumber plant was destroyed by fire in August, 1939. In answering the suit, the insurers charge the "plaintiff corporation, through its managing officers, caused the plant and property to be burned with intent to defraud the defendant."

Culver to Visit Coast

B. M. Culver, president of the American Fore group of companies, accompanied by Mrs. Culver, is due to arrive in San Francisco Aug. 15.

NEWS BRIEFS

Associated Insurance Producers of California, formed two years ago to bring about united and uniform action on legislation and other projects among the agents and brokers organizations, will sponsor an Insurance Day at the San Francisco fair Sept. 18. Fred Hohwiesner is general chairman.

Insurance Post 400 of the American Legion in San Francisco will again be host to all insurance men attending the American Legion state convention in San Diego Aug. 12-14.

Ken Carmichael and James J. Hall are opening a new agency in **Albuquerque, N. M.** Mr. Carmichael was formerly with the P. F. McCanna and Ed Killian agencies. Mr. Hall has been with the New Mexico Abstract Company, Estancia, N. M.

EAST

Insurers Win Damage Suit Decision in West Virginia

The jury brought in a favorable verdict for the insurance companies in the damage suit of Vincenzo Abruzzino for \$15,000, there being four defendant fire companies, in the United States district court. The fire was the Hi-Grade Beverage Company plant in Northview, Clarksburg, W. Va. Fire Chief Martin testified that oils and gasoline were used in connection with the fire. He declared that the "help" brought about a "flash fire." There was nothing that the department could do to save the bottling plant building. John Abruzzino was manager of the plant for his father, Vincenzo. The Abruzzino family had four fires during 1930 and 1938, all during the night time. Three agents testified that they had sold insurance to Abruzzino 10 days before the plant

burned. The defendant companies were the Pacific Fire, National Union Fire, each of which had the beverage company insured for \$5,000; the Mercury and the Home. Attorney Guier of the Clarksburg office of the law firm of Steptoe & Johnson of Charleston represented the companies.

Branch at Springfield, Mass.

The Hardware Mutual Casualty of Stevens Point, Wis., and the Federated Hardware Mutuals have opened a branch office at 95 State street, Springfield, Mass., with H. T. Jensen as manager. He is president of the Springfield common council and has been an agent for this group of mutuals since 1936.

Storm Sprinkler Claim Rejected

PROVIDENCE, R. I.—The supreme court has sustained a decision of the lower court holding that the Industrial Paper & Cordage Co. and Shaw Paper Box Co., both of Pawtucket, R. I., which sought to collect \$17,827 under sprinkler leakage policies written in the Aetna for damage caused when a falling chimney destroyed the sprinkler system in the building they occupied during the September, 1938, hurricane, cannot recover.

Pier Loss of \$100,000

VENTNOR, N. J.—The fire which destroyed the pier here caused a \$100,000 loss which will be divided among 23 companies.

Fossett Baltimore Chief

F. M. Fossett of H. M. Warfield-Rolison Company of Baltimore has been re-elected president of the Baltimore Insurance Society. D. G. Mulligan was chosen first vice-president; C. V. Gordan, second vice-president; F. C. Horgan, third vice-president; J. C. Murphy, secretary, and C. L. Menchine, treasurer.

NEWS BRIEFS

Clinton P. Anderson, Albuquerque local agent and general agent of the Occidental Life, has filed as a candidate for Congress on the Democratic ticket.

S. A. Shimer, 72, local agent of Bethlehem, Pa., and a director of Farmers Fire of York, Pa., died in a hospital in Bethlehem.

Evans-Conger Company and A. D. Beyer, two agencies of Norristown, Pa., have merged, the new office to be known as Evans, Conger & Beyer. The mem-

NATIONAL INSPECTION COMPANY CHICAGO, ILLINOIS

Service to Stock Fire Insurance companies for 38 years.
Inspections and Underwriting Reports.

J. G. Hubbell, }
H. B. Chrissinger, } Managers

R. L. Thiele, Ass't Mgr.
M. E. Bulske, Chief Inspector

MILLERS NATIONAL Insurance Co. Home Office: CHICAGO * Established 1865

ILLINOIS FIRE Insurance Co. Home Office: CHICAGO * Established 1876

Service Headquarters for Alert Agents

QUEEN CITY FIRE INSURANCE COMPANY SIOUX FALLS D. P. LEMEN, President SOUTH DAKOTA 1905 Thirty-five years of service 1940

bers are B. F. Evans, O. C. Conger and A. D. Beyer, well known in the insurance circles. The Pottstown offices of Evans, Conger & Co. will remain unchanged.

The Insurance Society of Baltimore announces that of the 68 students who enrolled in its educational courses the past season, 60 took the final examinations and 57 passed. The attendance during the session was practically 100 percent. J. R. Clark, manager Atlantic Mutual, is general educational chairman.

The Tierney Insurance Agency, Plattsburg, N. Y., has moved to enlarged quarters in the Daily Republican building, 25 Protection avenue. The agency was established 10 years ago by John P. Tierney, who conducted it until joined by his son, John F., in partnership this year. All lines are written, including life.

CANADIAN

Canadian Rebuilding Clause Proves Beneficial

TORONTO—To discourage intentional farm fires, insurance companies in Canada have for some months attached a rebuilding clause to policies covering barns. It provides that only one-half the indemnity will be paid until such time as the assured shall rebuild or repair, when he will receive the balance of his claim with 5 percent interest. The rates for such coverage are less than for regular policies. Champions of the plan contend it discourages burning for insurance and encourages those with legitimate fires to rebuild.

A survey of two years experience of eight farm mutuals using the rebuilding clause was conducted recently by Ontario Fire Marshal Scott. The loss frequency was one-third that of regular policies and the loss ratio was 29 percent better. Fires due to carelessness were reduced by one-half, lightning losses were down by 50 percent and spontaneous combustion losses were altogether eliminated.

Buildings have been rebuilt in 82 percent of fires while only 14.5 percent were rebuilt under the ordinary policies.

Rebuilding clause policies formed 12.7 percent in number of the total policies written and in amount of insurance accounted for 14.6 percent of total insurance.

Mutual companies do not necessarily limit the rebuilding clause to farm risks and will write it for other classes. Members of the Canadian Underwriters' Association write it only on farm buildings.

New Canadian Fire Policy Urged

TORONTO—A number of revisions to the statutory standard fire insurance policy used in all provinces except Quebec have been recommended by the Toronto Board of Trade. The committee on this subject was organized in 1938 and includes representative cash mutual companies, general agents, stock tariff companies and non-tariff companies and buyers of insurance.

The report recommends rearrangement of conditions and reduction of the number of conditions from 24 to 13. It also recommends that in a condition regarding misrepresentation the term "concealed" be substituted for the term "fraudulently omits to communicate." A change is recommended in the conditions regarding mortgage interests and also a clarification of the exclusions section to eliminate cigarette scorch and similar claims.

Union's Canadian Reinsurance

TORONTO—The Union of Paris announces that all treaty reinsurances on Canadian business are 50 percent with purely Canadian federal licensed companies and the other half in substantial American companies licensed in Canada.

MARINE

County Refuses to Pay More Than "Erroneous" Rate

OSHKOSH, WIS.—The Winnebago county board of supervisors' highway committee, on advice of the district attorney, has voted unanimously to refuse to pay an additional premium requested by a Michigan company for fire insurance on county highway equipment awarded last March. The company claims to have made an "error" in its rates in bidding for the business through the Winnebago County Insurance Agents Association, and is now seeking to collect an additional premium to comply with the Wisconsin insurance laws.

Inland Marine Contract

The supervisors committee conferred with I. S. MacNichol of Oshkosh, president of the agents' association, who said on behalf of the local agents that the bid was submitted in good faith. He added that the company had made a mistake in its rates and was now compelled by the Wisconsin department to collect the additional premium in order to comply with the minimum state standards set up. The coverage is carried on an inland marine policy protecting certain highway department equipment for \$18,115 at a premium of \$135.86. Additional premium of \$59.78 is requested. This policy was quoted with regular fire insurance on the highway department's \$238,010 of equipment, the total bid amounting to \$729.57.

The committee also interviewed C. A. Libbey, whose agency also had bid for this business and would have been low at \$760.65, considering the additional premium now asked. By refusing to pay the additional amount demanded, the committee expects the inland marine policy will be canceled by the company and the business will be placed elsewhere. The committee has not announced whether it will cancel the entire insurance placed with the Michigan company.

Ala. Code Manuscript Insured

The manuscript of Alabama's new state code is insured for \$100,000 during its transit to the publishers in Charlottesville, Va., and back. The Montgomery agency of Mead & Charles wrote the insurance, the premium being \$1,030.

Md. Rules on Fur Coat Cover

Commissioner Gontrum of Maryland has received an opinion from the law department that a department store that intends to insure fur coats for 12-month periods for its storage customers, including the time they are not actually in storage, must comply with the insurance law. The question arose in connection with a store that desired to issue such insurance for a charge of \$1 to be added to the storage charge.

Tractor Loss in Oregon

One of the largest inland marine losses in Oregon for some time occurred near Medford when three Diesel tractors powering generators were destroyed by fire. The equipment was the property of R. L. Houck, a contractor doing servicing work on the main California-Oregon highway through the Siskiyou mountains. It is thought that the fire resulted from the explosion of a transformer. The Fire Companies Adjustment Bureau Medford office is adjusting the loss under an all-risk contractors equipment form and estimates the loss at \$20,000. Coverage was written by the Great American.

Layton Heads New Office

DALLAS—Dan O. Layton has been appointed manager of the southwestern marine department opened by Home in the Cotton Exchange building, Houston. He was formerly located in Chicago.

New • MANAGEMENT • PRICE POLICY

ROOMS

\$1.50 FROM

HOTEL WISCONSIN

Owner operated by the Milwaukee Hotel Wisconsin Co.
Lewis S. Thomas, Manager

IN THE CENTER OF **MILWAUKEE**

THE WILLIAM LEN
Newest Hotel in Memphis

Every room with electric fan and circulating ice water. Our beautiful Coffee Shop seating 300 serves delicious food at moderate cost.

250 ROOMS WITH BATH from **\$2** W. A. MANNING Manager

MEMPHIS, TENN.

Convenient Location

EMIL EITEL
KARL EITEL
ROY STEFFEN

ROOMS \$2.25 UP
WITH BATH \$3.25 UP
Known for good food

in the heart of Chicago

BISMARCK HOTEL RANDOLPH LA SALLE **CHICAGO**



COPYRIGHT 1932 BY INS. CO. OF NORTH AMERICA

Each month's North America national advertising emphasizes the plus-advantage offered by North America Agents in the loss-prevention engineering service symbolized by the White Fireman. This month's advertisement, citing the case of a policyholder, who by adopting the precautions recommended by the White Fireman, earned a worth while reduction in his fire insurance costs, continues to build goodwill for North America Policies . . . and, of course, North America Agents.

See our full-page advertisement
in the August 12th issue of Life.

INSURANCE COMPANY OF NORTH AMERICA

PHILADELPHIA

and the
INDEMNITY INSURANCE CO., of NORTH AMERICA

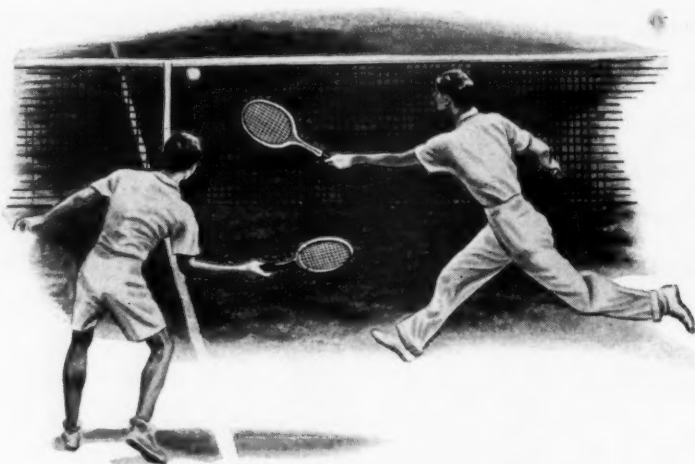
Write practically every form of insurance, except life.

Founded 1792

Capital \$12,000,000

Surplus to Policyholders Over \$77,000,000

WINNING POSITION



Like the crack doubles team when it reaches the net, Standard's agents and brokers are in *winning position*.

To help them reach this strategic spot, Standard supports their efforts with the advice and assistance of experienced field and claim men, underwriters, safety engineers, and auditors. Other important

factors are the company's effective advertising and sales aids, as well as an enviable reputation for prompt, satisfactory adjustments of all fair claims.

To find out more about the up-to-date agency service provided by this strong, well-managed Casualty and Bonding company—ask a Standard field man.

STANDARD ACCIDENT INSURANCE COMPANY

Standard Service Satisfies . . . Since 1884